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Canada. Rehabilitation Information Committee

General publications

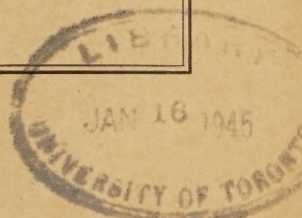
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HANDBOOK ON REHABILITATION

Second Edition, August 1945



OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945



ERRATUM

On page 53, the following paragraph:

Veterans' Land Act

"Members of the Permanent Force become eligible for the benefits of the Act only when they are honourably discharged from the Permanent Force (or can show that they will be permanently stationed in one locality) and meet the other requirements of the Act".

The words "(or can show that they will be permanently stationed in one locality)" are to be deleted.

ERRATUM

P. 27 The Dual Service Pension

Add the following sentence to the last paragraph:

Allowances are subject to reduction by reason of other income (with certain exceptions).

HANDBOOK ON REHABILITATION

Second Edition, August 1945

The Handbook on Rehabilitation is a one volume survey of Dominion legislation on demobilization and rehabilitation. It contains a summary of each important piece of legislation dealing with those subjects. The manual is intended primarily for the use of service, demobilization and rehabilitation officers. It was compiled under the direction of an interdepartmental committee to co-ordinate the information activities of government departments connected with demobilization, rehabilitation, readjustment to civil life and related matters.

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1. An Act to amend the Customs Tariff, 1944

This Act removes the tariff and the war exchange conservation tax as applied on imported farm machinery, effective June 27, 1944.

2. The Agricultural Prices Support Act, 1944

The Act created an Agricultural Prices Support Board. With the approval of the Governor in Council, the Board is given power to prescribe prices at which it may purchase agricultural products in the market. The products included are those designated by the Governor. Wheat is specifically excluded. The Board may also make differential payments equal to the amount by which the average selling price of a designated product falls below the established price. (See pp. 3 and 4 of Act.) Powers of the Board.

The Board may sell or otherwise dispose of any product purchased by it, and a \$200 million revolving fund is created to finance operations undertaken by the Board. (See p. 3 of Act.) Expenditures.

Operations under the Act are to commence on a date to be fixed by proclamation. Studies relevant to operations under the Act are now being made but it is not expected to come into operation until the end of hostilities. (See p. 5 of Act.) Coming into force.

3. Farm Improvement Loans Act, 1944

P.C. 1414, 1945.

This Act, along with a change in the Bank Act (see Bill 91 of 1944 session) passed at the same time, makes it possible for farmers to obtain intermediate credit on reasonable terms for the purchase of farm machinery and live stock, the installation of agricultural equipment or a farm electric system, or the improvement of land or buildings. (See p. 46, Bank Act.) Purpose.

These loans would be obtained from the chartered banks but the government will guarantee losses up to 10 per cent of the amount loaned by any bank under this system. (See pp. 2 and 4, Farm Improvement Loans Act.) How loans obtained.

Maximum loan is \$3,000; maximum rate is 5 per cent; and the term is not to exceed 10 years. (See p. 3, Farm Improvement Loans Act.) Terms of loans.

The Act came into effect by proclamation on March 1, 1945. On the same day, Regulations were published, in accordance with Section 6 of the Act, governing the making of loans under the seven headings set out in Section 2, sub-section *h* of the Act and other technical matters:

(i) Agricultural Implement Loans

These are limited to two-thirds of the cash price of the implements. For purposes of the Act, agricultural implements include most items of heavy household equipment.

(ii) Live stock Loans

These are limited to 75 per cent of the estimated cost of the live stock. They are to be made mainly for the purchase of foundation or breeding stock.

- (iii) Loans for the Purchase or Installation of Agricultural Equipment or a Farm Electric System

These are limited to 75 per cent of the cost of the equipment, etc., including the cost of installation.

If the loan exceeds \$2,000 and is for a term exceeding five years, a mortgage on the farm must be taken as additional security. (This need not necessarily be a first mortgage, if the farmer has unencumbered equity in the farm. But note, that if the farm is acquired under the Veterans' Land Act, title to the property is not acquired by the veteran until he has met his obligations for ten years or has paid in full for the farm.)

- (iv) Loans for the Alteration or Improvement of a Farm Electric System

These are limited to 75 per cent of the estimated cost of the alteration or improvement.

In the case of a loan which exceeds \$2,000 and is for a term exceeding five years, security for the loan will be a mortgage on the farm. For other loans, all or some of the agricultural implements of the farm may be used as security.

- (v) Fencing or Drainage Loans

Terms are the same as for (iv) above.

- (vi) Loans for the Construction, Repair or Alteration of Farm Buildings

The loan may be up to 90 per cent of the estimated cost. Otherwise terms are the same as for (iv) above.

- (vii) Loans for the Improvement or Development of a Farm
- Terms are the same as for (iv) above.

4. Prairie Farm Rehabilitation Act, 1935, as amended by the Amending Acts of 1937, 1939 and 1941

Purpose. The Act gave authority to secure the rehabilitation of the drought and soil drifting areas in the provinces of Manitoba, Saskatchewan and Alberta, and to introduce throughout the affected area systems of farm settlement that afford greater security to prairie farmers.

Operations under the Act. Considerable work was done under the Act in the years before the war and it is expected that this will be expanded in the post-war years.

Future plans. Not only are a very large number of small water-conservation projects foreseen, but an over-all irrigation plan costing roughly \$111 million has been submitted by the Director. On some of these large projects work can begin at any time; others will need more or less extensive study.

5. Prairie Farm Assistance Act, 1939, as amended by Amending Acts of 1940, 1941 and 1942

Purpose. The Act provides for special payments to be made to spring wheat farmers by the Canadian government when the price of wheat falls below 80 cents per bushel or when there is a serious crop failure.

The Governor in Council may for the purposes of this Act, declare any crop year to be an emergency year. A farmer resident in any township which applies for assistance in an "Emergency year" may receive

- (i) Ten cents per acre of cultivated land for each cent (up to 10) that the average price is less than 80 cents, if the average yield of wheat in the township is between 8 and 12 bushels per acre
- (ii) \$1.50 per acre if the average yield of wheat in the township is between 4 and 8 bushels per acre
- (iii) \$2 per acre if the average yield is less than 4 bushels per acre.

However no payment may be made in respect of more than one-half the cultivated acreage of a farmer, nor in respect of more than 200 acres of the cultivated land of a farmer.

If the average yield of wheat, as a result of anything else than hail, is five bushels per acre or less over a large area of any of the three prairie provinces, such area may be declared a crop failure area. A farmer resident in such area may receive \$250, or \$2.50 per acre for half his cultivated acreage up to 200 acres, whichever is the greater.

No farmer shall receive

Restrictions.

- (i) both "emergency year" assistance and "crop failure" assistance in any year with respect to the same land. (See pp. 4 and 5 of Act);
- (ii) "emergency year" assistance or "crop failure" assistance if his average yield is in excess of eight bushels per acre and his wheat production is in excess of three thousand bushels. (See p. 5 of Act.)

These payments will be made from a Fund which is to be built up from a levy of one per cent on the purchase price of all grain purchased by elevators and other grain dealers. (See pp. 5 and 6 of Act.)

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1. Fisheries Prices Support Act, 1944

The Act created a Fisheries Prices Support Board for the purpose ^{Purpose.} of promoting orderly adjustment from war to peace conditions. (See p. 4 of Act.)

With the approval of the Governor in Council, the Board is given ^{Powers of the Board.} power to prescribe prices at which it may purchase fisheries products in the market. The Board may also make differential payments equal to the amount by which the average selling price of a designated product falls below the price established by the Board. The Board may sell or otherwise dispose of any product purchased by it. (See p. 3 of Act.)

A \$25 million revolving fund is created to finance operations ^{Expenditures.} undertaken by the Board. (See p. 4 of Act.)

Operations under the Act will commence on a date to be pro- ^{Coming into force.} claimed. (See p. 5 of Act.)

2. Pensions to Salt-water Fishermen P.C. 104/3546, 1942

Pensions, on the same scale as those for members of the Armed Forces, are authorized for salt-water fishermen who suffer disability or death due to enemy action, counter-action or extraordinary marine hazards due to the war.

The rate of pension payable to a fishermen is that applicable to the rank or rating of the Naval Forces of Canada set opposite the rank or qualification of the fisherman in the following table:—

Master of fishing boats of 60 registered tons or over.....	Lieutenant
Master of other fishing boats.....	Sub-Lieutenant
Other members of the crew.....	Able Seamen

All claims will be dealt with in the same way as claims under the Pension Act.

3. Medical Treatment for Salt-water Fishermen

P.C. 3492, 1939

P.C. 4465, 1944 (See V 17).

Medical treatment is authorized for salt-water fishermen who suffer disability as a result of enemy action or counter-action taken against the same (P.C. 3492, 1939) or extraordinary hazards due to the war (P.C. 4465, 1944, Clause 2, Class 7. See V 17).

An allowance for an in-patient may be awarded equal to 100 per cent pension payable under P.C. 104/3546, 1942 (See II 2) less \$15 per month, and for an out-patient equal to such 100 per cent pension.

4. Training Benefits for Salt-water Fishermen

P.C. 80/4430, 1942

P.C. 5210, 1944 (See V 13.)

By P.C. 80/4430 the *Vocational Training Benefits* obtainable under the Post-Discharge Re-establishment Order (P.C. 5210, 1944, See V 13) were made available to salt-water fishermen who are in receipt of pension in respect of a disability, which disability prevents such person from resuming his occupation or from following his principal former occupation.

5. Veterans' Insurance Act (See V 13.)

Salt-water Fishermen who are pensionable under P.C. 104/3546, 1942 (See II 2.), are eligible for the provisions of the Veterans' Insurance Act (See V 18.).

6. Veterans' Land Act (See V 19.)

Any person who is in receipt of pension in respect of a disability incurred while serving in a ship during the present war, is eligible for the provisions of the Veterans' Land Act (See V 19.).

1. Auxiliary Services

P.C. 44/1555, 1944

P.C. 50/6270, 1944

P.C. 4465, 1944

P.C. 3228, 1945

P.C. 55/5045, 1945

Pensions—Supervisors attached to any of the three Armed Forces of Canada are entitled to war disability pension and other pension benefits applicable to a Lieutenant in the Canadian Naval Forces, for the period of their service outside Canada.

Helpers serving outside Canada are entitled to pension under the provisions of the Pension Act on the same scale as for other ranks in the Armed Forces.

Medical Treatment—Former members of the Canadian Auxiliary Services are entitled to treatment and hospitalization for pensionable disabilities. They may receive a hospital allowance equal to 100 per cent pension, less \$15 per month in the case of in-patients.

Rehabilitation Grant—Supervisors with service overseas are entitled to this Grant on the same terms as a member of the Forces. (See V 14.)

Clothing Allowance—Supervisors with service overseas are entitled to this allowance on the same terms as a member of the Forces. (See V 4.)

Transportation Home—Supervisors with service overseas are entitled to this on the same terms as a member of the Forces. (See V 25.)

Gratuity—Supervisors are entitled to a gratuity at the rate of \$15 per month for each month of service outside the Western Hemisphere. Payment of the gratuity is made in the same way as to a member of the Forces. (See V 21.)

Veterans' Insurance Act—Supervisors with service overseas are entitled to the same benefits under this Act as a member of the Forces. (See V 18.)

Reinstatement in Civil Employment Act—Supervisors with service overseas are entitled to the benefits under the Act in the same way as a member of the Forces. (See V 15.)

Veterans' Land Act—Supervisors with service overseas who are in receipt of pension under P.C. 44/1555, 1944, are eligible for the benefits of the Act. (See V 19.)

Vocational and Technical Training—Supervisors with service overseas who are in receipt of pension under P.C. 44/1555, 1944 are eligible for vocational and technical training benefits of the Post Discharge Re-establishment Order. (See V 13.)

2. Cabinet Committee on Reconstruction

P.C. 7993, 1944

The Cabinet Committee on Reconstruction was established to formulate and review plans and projects *re* construction, and consider proposals by departments or agencies of the government *re* capital expenditures on reconstruction involving financial assistance by the Minister of Reconstruction.

Members of the Committee are

Minister of Munitions and Supply

Minister of Justice

Minister of Finance

Minister of Trade and Commerce

3. Corps of Civilian Fire Fighters (Canadian)

P.C. 3229, 1945

General—P.C. 76/1656, 1942. This order provides that on discharge a member of the Corps would be given transportation to his home and a clothing allowance of \$35. The clothing allowance has since been raised to \$100 by G.O. 423, 1944.

The Re-instatement in Civil Employment Act (See V 15.)

Former members of the Corps receive the benefits of the Act.

Pensions—P.C. 100/2757, 1942. Payment of pensions to members of the Corps is authorized at the same rates and on the same conditions as to members of the Armed Forces. (See V 12.)

Treatment—P.C. 4465, 1944. (See V 17.) Treatment is authorized for pensionable disabilities (Clause 2, Class 7).

Dependents, entry into Canada—P.C. 9029, 1944. Dependents of members of the Corps may enter Canada after application for admission under regulations similar to those for former members of the Armed Forces. (See V 7.)

Retention of Articles of Clothing, etc., on Discharge—P.C. 9245, 1944. Members of the Corps are permitted to retain, when discharged, most articles of personal clothing and kit issued to them.

Rehabilitation Grant—Fire Fighters are entitled to this Grant on the same terms as a member of the Forces. (See V 14.)

Gratuity—Fire Fighters are entitled to a gratuity at the rate of \$15 per month for each month of service outside the Western Hemisphere. Payment of the gratuity is made in the same way as to a member of the Forces. (See V 21.)

Veterans' Insurance Act—Fire Fighters are entitled to the same benefits under this Act as a member of the Forces. (See V 18.)

Veterans' Land Act—Fire Fighters, who are in receipt of pension under P.C. 44/1555, 1944, are eligible for the benefits of the Act. (See V 19.)

Vocational and Technical Training—Fire Fighters who are in receipt of pension under P.C. 44/1555, 1944 are eligible for vocational and technical training benefits of the Post Discharge Re-establishment Order. (See V 13.)

4. Department of National Health and Welfare Act, 1944

Purpose.

The department was formed to promote and preserve the health, social security and social welfare of the people of Canada.

Health insurance.

It will continue the preparatory work looking to the establishment of a nation-wide system of health insurance, and a national scheme of contributory old age pensions.

Pensions.

In due course it is planned to transfer to this department the federal administration of old age pensions and pensions for the blind.

Acts to be administered.

The department will also administer the Food and Drugs Act, the Opium and Narcotic Drug Act, the National Physical Fitness Act and the Family Allowances Act.

Proclamation.

The Act was proclaimed October 13, to be effective October 28, 1944.

5. Department of Reconstruction Act, 1944

The Minister shall prepare, formulate and co-ordinate plans and projects for reconstruction, and, with the authorization of the Governor in Council, provide for the carrying out thereof. Duties
of the
Minister.

The Department will co-ordinate plans for the re-establishment and re-employment of persons released from the Armed Services and war industry, and for the re-organization of industry in order to provide maximum production and full employment during and following the change from wartime to peacetime production; and will itself formulate and carry out such plans when authorized by the Governor in Council.

The Act was assented to April 17, 1944, and a Minister was appointed on October 13, 1944. Coming
into
force.

6. Economic Advisory Committee or Advisory Committee on Economic Policy

P.C. 2698, 1939

P.C. 608, 1943

This committee, originally set up by P.C. 2698, 1939, was reconstituted by P.C. 608, 1943. It is now functioning to:

- (a) co-ordinate work on economic and financial policy *re* the war
- (b) organize the investigation of post-war problems
- (c) conduct studies to meet post-war problems
- (d) prepare reports *re* post-war problems.

Secretary of the Committee is Mr. R. B. Bryce, Department of Finance.

7. An Act to Provide for Family Allowances

P.C. 4405, 1945

The Act will be administered by the Department of National Health and Welfare. Administration.

It provides for the payment of family allowances after July 1, 1945, for all children under 16 according to the following scale: Payments.

- (a) Less than six years of age, \$5 per month
- (b) Six to nine, \$6 per month
- (c) Ten to twelve, \$7 per month
- (d) Thirteen to fifteen inclusive, \$8 per month. (See p. 2 of Act.)

The allowance payable is to be reduced \$1 for the fifth child, \$2 for the sixth and seventh child, and \$3 for the eighth and all additional children.

Allowances are payable for all children under sixteen:

- (a) Who have been resident in Canada since birth; or
- (b) Who have been resident in Canada for the three years immediately prior to registration; or
- (c) Whose father's or mother's domicile at the time of the child's birth and for three years previously was in Canada and has continued to be in Canada up to the date of registration; or
- (d) Who were born while their fathers or mothers were members of the Naval, Military or Air Forces of Canada or within twelve months after they have ceased to be members of these forces. (See p. 1 of Act.)

For whom
payable.

Restrictions
on payments.

The allowance ceases to be payable:

- (a) where a child, above the age of six years and physically fit, fails to attend school or to receive equivalent training as prescribed in the regulations. (*See p. 2 of Act.*)
- (b) where the child dies or ceases to reside in Canada, or in the case of a girl, marries. (*See p. 2 of Act.*)

Where an officer authorized by the regulations is satisfied that the allowance is not being applied exclusively toward the maintenance of the child (*See p. 3 of Act*) or that the person to whom the allowance is being paid is unsuitable (*See p. 4 of Act*), the payment may be stopped or made to another suitable person or agency.

Taxation.

Provisions are made so that the deduction on account of a dependent child from tax payable under the Income War Tax Act will not be duplicated by the Allowance under the Act. (*See P.C. 4405, 1945.*)

Appeal.

If any person is dissatisfied with a decision as to his right to be paid an allowance or as to the amount of an allowance payable to him or any other matter arising out of the Act, he may appeal to a tribunal. The decision of this tribunal will be final.

Proviso.

If any person is receiving aid from the Government of Canada for the maintenance of a child in respect of whom an allowance is payable under the Act, the allowance may be reduced or withheld, provided that the aid is other than:—

- (a) pension under the Pension Act
- (b) dependent's allowance for a dependent child of a member of the Armed Forces.

3. The Industrial Development Bank Act, 1944

Purpose.

The Bank was authorized to fulfil the following purposes:—

- (i) to supplement existing lending institutions
- (ii) to fill in the gap between short term loans and the issue of bonds and stocks with particular consideration to the financing problems of small industrial enterprises. For the purposes of the Act, "industrial enterprises" are limited to businesses in which the manufacture, processing or refrigeration of goods, wares and merchandise or the building, alteration or repair of ships or vessels or the generating or distributing of electricity is carried on.

Powers.

- If (a) the required credit is not otherwise available on reasonable terms, and
- (b) the Bank is afforded reasonable protection, i.e., if the enterprise in question may reasonably be expected to succeed in a prosperous economy (*See p. 1 of Act*); the Bank may:—
- (i) lend or guarantee loans of money
 - (ii) underwrite the sale of securities
 - (iii) acquire the securities of a corporation with a view to resale (*See pp. 4 and 5 of Act*).

Management.

The Bank will be managed by a Board of Directors composed of the Board of Directors of the Bank of Canada and the Assistant Deputy Governor of the Bank of Canada.

Limits
to total
liabilities.

Loans, etc., to large businesses, i.e., loans above \$200,000 are restricted to a total of \$15 million (*See p. 5 of Act*), but total liabilities may rise to \$100 million (*See p. 4 of Act*).

Coming into
force.

By Proclamation of September 21, 1944, the administrative sections of the Act came into effect as of that date, and operations under the Act were commenced on November 1, 1944.

9. Interdepartmental Committee on Information *re* Demobilization, etc.

P.C. 8096, 1944

The Committee was formed to co-ordinate the information activities of government departments connected with demobilization, rehabilitation, readjustment to civil life and related matters, and to institute information programmes where necessary.

The Committee is composed of members appointed by the following:

Wartime Information Board (Chairman)
 Minister of National Defence
 Minister of National Defence for Naval Services
 Minister of National Defence for Air
 Minister of Veterans Affairs
 Minister of Labour
 Minister of Reconstruction

The Secretary of the Committee is Mr. G. C. Andrew, Wartime Information Board.

The National Film Board and the Canadian Broadcasting Corporation cooperate closely in the work of the Committee.

10. The National Housing Act, 1944

P.C. 393, 1945

The Act is designed to promote the construction of new houses, the repair and modernization of existing houses, the improvement of housing and living conditions, and the expansion of employment in the postwar period. Purpose.

**Part I—Housing for Home Owners*

Housing for
home owners.

1. *Loans to Owners and Builders*

The Act operates chiefly by making it possible for lending institutions and the government jointly to make long-term low-interest loans either to a prospective home owner who owns the land and intends to occupy the house, or to a builder who intends to sell the house to a person who will own and occupy it. The government provides a quarter of the loan and the lending institution three-quarters. Maximum overall interest rate will be $4\frac{1}{2}$ per cent. The maximum amount of a joint loan is 95 per cent of the first \$2,000 of the lending value, 85 per cent of the second \$2,000, and 70 per cent of anything over \$4,000. Maximum duration of the loan is 20 years except under community planning where it may be up to 30 years. (*See p. 5 of Act.*)

2. *Co-operative Housing Projects*

Provisions for these are similar to the above, except that the responsibility for payments of interest, etc., is joint. (*See p. 6 of Act.*)

Government participation in loans under Part I of the Act is limited to \$100 million. (*See pp. 7 and 8 of Act.*)

* *See* page 15, "Guarantees of losses".

Housing for
rental purposes.

Part II—Housing for Rental Purposes

**1. Loans for Rental Housing Projects*

Maximum loan in this case is 80 per cent of the lending value, and even under community planning 25 years is the maximum duration of the loan. Otherwise the same provisions apply. (See pp. 8 and 9 of Act.)

2. Loans to Limited-Dividend Housing Corporations for Low-Rental Projects

The government will loan 90 per cent of the lending value of the project at 3 per cent interest. The corporation is obliged to limit its dividends to 5 per cent and is subject to close governmental supervision as to construction, rents, etc. Maximum duration of the loan is set at 50 years or the useful life of the project whichever is the lesser. (See pp. 9, 10 and 11 of Act.)

3. Life Insurance Company Rental Housing Projects

Under certain conditions life insurance companies may invest up to 5 per cent of their assets in the purchase of land and the construction of low-cost or moderate-cost rental housing projects; trust and loan corporations may also be given this opportunity. Government approval must be obtained for each project. The government may guarantee a net return of $2\frac{1}{2}$ per cent to the company if it meets certain strict conditions. (See pp. 12 and 13 of Act.)

Government participation in loans under Part II of the Act is limited to \$50 million. (See p. 15 of Act.)

4. Assistance in Slum Clearance

On certain conditions the government will pay to a municipality half the *net* cost (cost of acquiring and clearing minus sale price to the corporation engaged in rental housing project) of acquiring and clearing slum areas suitable for low-cost or moderate-cost rental housing projects. (See pp. 14 and 15 of Act.) The total amount granted under this section is not to exceed \$20 million.

Part III—Rural Housing

Rural
housing.

Three special provisions are included in the Act to make Part I of the Act readily applicable in rural areas.

1. The government will meet the travelling expenses of agents engaged in arranging joint loans in small communities or remote areas. (See p. 15 of Act.)
2. On joint loans to farmers, payments of interest, etc., may be made periodically rather than monthly, so as to fit in with probable receipts. (See pp. 15 and 16 of Act.)
3. A new housing loan may be consolidated with any existing mortgage loan—the government's share of the new loan is limited to a quarter of the cost of construction of the house (including the value of the land).

Futhermore, in order to encourage the manufacture of housing equipment at low cost, the Act provides that the government may aid in the experimental production of such equipment, and may guarantee or underwrite the sale of equipment manufactured for installation or use in farm or rural houses, up to a total of \$5 million. (See p. 16 of Act).

* See page 15, "Guarantees of losses".

Part IV—Home Improvement and Home Extension Loans

The government guarantees 5 per cent of the total amount of guaranteed loans made by any bank or approved credit agency for home improvement and home extension loans. The rate of interest is not to exceed 5 per cent. (See pp. 17 and 18 of Act.)

Home improvement and home extension loans.

Government guarantees under this Part of the Act are not to exceed \$100 million. (See p. 18 of Act.)

Part V—Housing Research and Community Planning

The Minister of Finance is authorized to investigate housing conditions, to make studies and prepare plans in the field of low-cost housing, and to encourage research in the fields of the construction and designing of houses, land and community planning, and the management and operation of housing projects. (See pp. 21 and 22 of Act.)

Housing research and community planning.

The Act will be administered by the National Housing Administration.

The Act is to come into force when so proclaimed by the government. Part I of the Act, Housing for Home Owners, was proclaimed August 18, 1944, to come into force August 21, 1944, but the shortage of lumber postponed any large-scale building under these provisions.

Coming into force.

Part IV of the Act, Loans for Home Improvement and Home Extension, was brought into force in Kamsack, Saskatchewan, and vicinity, to help repair storm damage (P.C. 6905, 1944, and P.C. 7061, 1944).

All parts of the Act except Part IV were proclaimed to come into force on January 18, 1945, but in order to conserve scarce labour and materials a temporary maximum limit was placed on the lending value of a home which may be financed under the Act. For a single dwelling with one or two bedrooms the upper limit is \$6,000, increasing to \$7,000 for a house with three bedrooms and to \$8,000 for a house with four or more bedrooms.

Under the War Service Grants Act (See V 21), the Re-establishment Credit may be used to pay an amount not exceeding two-thirds of the difference between the lending value of the home and the amount of the loan made under the National Housing Act.

Use of Re-establishment Credit.

*Order in Council, P.C. 392, 1945, provided that the government may guarantee the losses of the lending institution sustained as a result of joint loans made by a lending institution and the government, either for Housing for Home Owners or for Rental Housing Projects, up to a maximum of 15 per cent of the total of the share of the lending institution in all joint loans of any particular class.

Guarantees of losses.

II. Naturalization Act

P.C. 312, 1943
P.C. 4309, 1944

PART I**NATURAL BRITISH-BORN SUBJECTS**

III. The following persons shall be deemed to be natural-born British subjects, namely:—

Definition of natural-born British subject.

(a) Any person born within His Majesty's dominions and allegiance; and

- (b) Any person born out of His Majesty's dominions whose father was, at the time of that person's birth a British subject, and who fulfils any of the following conditions, that is to say, if either,
- (i) his father was born within His Majesty's allegiance, or
 - (ii) his father was a person to whom a certificate of naturalization had been granted, or
 - (iii) his father had become a British subject by reason of any annexation of territory, or
 - (iv) his father was at the time of that person's birth in the service of the Crown, or
 - (v) his birth was registered at a British consulate within one year or in special circumstances with the consent of the Minister, two years after its occurrence, or, in the case of a person born on or after the first day of January, one thousand nine hundred and fifteen, who would have been a British subject if born before that date, within twelve months after the first day of August, one thousand nine hundred and twenty-two; and
- (c) Any person born on board a British ship whether in foreign territorial waters or not;

Provided that the child of a British subject, whether that child was born before or after the twelfth day of June, one thousand nine hundred and fourteen, shall be deemed to have been born within His Majesty's allegiance if born in a place where by treaty, capitulation, grant, usage, sufferance, or other lawful means, His Majesty exercises jurisdiction over British subjects.

2. A person born on board a foreign ship shall not be deemed to be a British subject by reason only that the ship was in British territorial waters at the time of his birth.

3. Nothing in this section shall, except as otherwise expressly provided, affect the status of any person born before the first day of January, one thousand nine hundred and fifteen.

Certificate as
proof.

4. The certificate of a Secretary of State that a person was at any date in the service of the Crown shall for the purpose of this section be conclusive.

Where British
Nationality
conditional
upon registra-
tion, etc.

5. Any person whose British Nationality is conditional upon registration at a British consulate shall cease to be a British subject unless within one year after he attains the age of twenty-one, or within such extended period as may be authorized in special cases by regulations made under this Act;

- (i) he asserts his British nationality by a declaration of retention of British nationality, registered in such manner as may be prescribed by regulations made under this Act; and
- (ii) if he is a subject or citizen of a foreign country under the law of which he can, at the time of asserting his British nationality, divest himself of the nationality of that foreign country by making a declaration of alienage or otherwise, he divests himself of such nationality accordingly. 1914, c. 44, s. 1; 1920, c. 59, s. 3; 1923, c. 60, ss. 2 and 3.

Powers of
Minister.

Any alien regardless of nationality may apply for naturalization but the granting of a certificate of naturalization is left entirely to the discretion of the Minister, who may, without assigning any reason, give or withhold the certificate as he thinks most conducive to the public good (p.v, Act).

All aliens who are required to apply for naturalization through the courts, must first file Declaration of Intention. They are not qualified to file applications for naturalization until one year after the date of filing the Declaration of Intention (p. 1, Act). Declaration of intention.

The Secretary of State may grant a certificate of naturalization to any alien serving outside Canada with the Naval, Military or Air Forces of Canada who has satisfied the Secretary of State by the filing of such documents as may be prescribed by the Secretary of State and the Minister of National Defence, and to aliens who have enlisted for general service, have served on active service for more than eighteen months, and are still on active service (P.C. 4309, 1944). Aliens in forces.

12. Merchant Seamen

Pensions

P.C. 104/3546, 1942 (*See* II, 2)

Pensions on the same scale as those for members of the Armed Forces are authorized for merchant seamen who suffer disability or death due to enemy action, counter-action or extraordinary marine hazard due to the war. The rate of pension payable to merchant seamen will be that applicable to the rank or rating of the Naval Forces of Canada set opposite the rank or qualification of the merchant seamen in the following table:—

Pensions for Personnel of Ships of Canadian Registry or Licence or of Certified non-Canadian Ships

Rank	Scale of Pensions
(a) <i>Ship in Foreign Trade*</i>	
(i) Master	Commander
(ii) Chief Officer	Lieutenant-Commander
(iii) Chief Engineer	Commander
(iv) Second Engineer	Lieutenant-Commander
(v) Other Navigating and Engineer Officers:	
Purser	Lieutenant
Surgeon	
Chief Steward	
Wireless Officer of 10 years or more seniority	
(vi) All other officers	Sub-Lieutenant
(b) <i>Ship in Home Trade*</i>	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant
(c) <i>Ship in Inland and Minor Waters Trade*</i>	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant
(d) <i>All Trades</i>	
(i) All other members of the crew (except Orientals and coloured seamen not domiciled in Canada within the meaning of the Immi- gration Act)	Able Seaman.

*The provisions of the Canada Shipping Act, 1934, and Regulations made thereunder, will determine the class of vessel, and nature of the trade in which the vessel is engaged and the status of the members of the crew.

- (ii) Orientals not domiciled in Canada within the meaning of the Immigration Act A proportion of pension applicable to an able seaman as judged adequate by the Canadian Pension Commission, or a lump sum which in the opinion of the Canadian Pension Commission is the equivalent thereof.
- (iii) Coloured seamen not domiciled in Canada within the meaning of the Immigration Act A proportion of pension applicable to an able seaman as judged adequate by the Canadian Pension Commission.

(e) *Pilots*

- (i) Licensed Pilots Lieutenant
- (ii) Licensed Apprentice Pilots Sub-Lieutenant

Reinstatement in Civil Employment Act, 1942 (See V 15)

Merchant seamen who see service in coastal waters or on the high seas during the present war for a continuous period of at least six months (including lay-off periods) are eligible for the provisions of the Act (See p. 1 of Act) after discharge or release from the service.

Medical Treatment

P.C. 4465, 1944 (See V. 17)
 Canada Shipping Act, 1934
 P.C. 164/6991, 1943

Medical treatment is authorized for merchant seamen, that is, any person employed or formerly employed in a ship of Canadian registry or licence, a Canadian national employed or formerly employed in a certified non-Canadian ship, who, in the opinion of medical authority of the Department of Veterans Affairs, require treatment for a disability pensionable under P.C. 104/3546 (See above).

Free medical treatment and care of any sick or disabled seaman not entitled to benefit under the Sick Mariners' Fund provided for under the Canada Shipping Act, 1934, nor entitled to treatment for a disability pensionable under P.C. 104/3546, is made available under P.C. 164/6991, 1943.

Veterans' Insurance Act, 1942 (See V. 18)

Merchant seamen pensionable under P.C. 104/3546, 1942, are eligible for the provisions of this Act (See p. 2 of Act).

Veterans' Land Act, 1942 (See V. 19)

Any person who is in receipt of a pension in respect of a disability incurred while serving upon a ship during the present war is eligible for the provisions of this Act (See p. 3 of Act).

Vocational Training Benefits

P.C. 80/4430, 1942

P.C. 5210, 1944 (See V. 13)

By P.C. 80/4430, 1942, the Vocational Training Benefits obtainable under the Post-Discharge Re-establishment Order (P.C. 5210, 1944) were made available to merchant seamen who are in receipt of pension under P.C. 104/3546, 1942, and whose disability prevents them from resuming their former occupation.

Repatriation

P.C. 8592, 1943

Provision is made under the Canada Shipping Act for the repatriation of Canadian merchant seamen who have been discharged in a foreign port, the responsibility being placed on the captain or owner of the ship. P.C. 8592 provides for the re-imbursment to the Government of any costs incurred in the repatriation of seamen.

Detention Allowance

P.C. 12/4209, 1941

Where a Canadian merchant seaman is detained by the enemy and thus prevented from earning his living, a Detention Allowance is paid by the Government equivalent to his basic pay at the time of capture, and any assignments from his pay are maintained therefrom.

Compensation for War Damage to Effects

P.C. 133/510, 1944 (consolidation of previous Orders)

Payment of compensation to personnel of the Canadian Merchant Navy is made for loss of effects through enemy action or counter action and, in case of loss of life, compensation for personal effects is payable to the widow, children or parents.

13. Special Cabinet Committee on Demobilization

P.C. 4068½, 1939

The Committee was set up to procure information respecting, and to give full consideration to, the problems of demobilization and rehabilitation.

The Committee is composed of the following members:

The Minister of Veterans Affairs
 The Minister of Public Works
 The Minister of National Defence
 The Minister of Agriculture
 The Minister of Labour
 The Honourable J. A. MacKinnon.

14. The Surplus Crown Assets Act, 1944

It authorizes the establishment of the Crown Assets Allocation Committee which advises the Minister of Munitions and Supply on matters relating to surplus Crown assets.

It confers authority upon the War Assets Corporation to sell, exchange or otherwise dispose of, hold, manage, re-condition or otherwise deal with surplus Crown assets, i.e., surpluses of war equipment.

The Act was proclaimed to come into force effective July 11, 1944. The Committee has been established and is now advising the Minister.

Crown Assets
Allocation
Committee.

War Assets
Corporation.

Coming
into force.

15. Unemployment Insurance Act, 1940

as amended by Amending Act, 1943

P.C. 78/8600, 1941
 P.C. 250, 1942
 P.C. 6951, 1943
 P.C. 6952, 1943
 P.C. 3589, 1945
 P.C. 3590, 1945
 P.C. 89/5311, 1945

Coverage of
the Act.

All persons employed in Canada at a trade or occupation other than those listed below are insurable under this Act. Subject to certain conditions, the Act also makes provision for persons working outside of Canada for a Canadian employer, and for persons employed in Canada by a foreign government.

Excepted
employments.

Persons engaged in the following employments are *not eligible* for insurance under this Act:—

- (1) agriculture, horticulture, forestry, fishing, hunting and trapping.
- (2) lumbering and logging, except "such saw mills, planing mills, shingle mills and wood-processing plants as are in the opinion of the Commission reasonably continuous in their operations." Provision is also made, however, to adapt the terms of the Act to the seasonal and other varying conditions met within the industry, and to bring certain workers in the industry under the protection of the Act.
- (3) transportation by water.
- (4) stevedoring.
- (5) domestic service, "except where the employed person is employed in a club or in any trade or business carried on for the purpose of gain".
- (6) employment in a hospital or charitable institution not operating for purpose of gain (certain exceptions allowable).
- (7) professional nursing (including probationers undergoing training).
- (8) teaching in schools, colleges, universities or institutes; private teaching; and the teaching of music and dancing.
- (9) any branch of His Majesty's Naval, Military or Air Forces, the Royal Canadian Mounted Police, and dominion, provincial or municipal police forces.
- (10) employment normally "permanent in character" in the public service of Canada or of a province or municipal authority, other than employment in connection with a public utility.
- (11) employment as an agent paid by commission or fees or a share of the profits, "where the person so employed is mainly dependent for his livelihood on his earnings from some other occupation".
- (12) employment in which persons are employed and paid for playing any game.
- (13) certain classes of casual, part-time, and seasonal employment when specified by the Commission; employment in the service of the husband or wife of the employed person; and employment for which no wages or other money payment is made, where the person employed is the child of, or is maintained by the employer.

The Act gives authority to the Governor in Council to make regulations to bring excepted classes of employees under the Act or to exclude certain classes from coverage.

Upon becoming unemployed, an insured worker may apply for benefit, which will be granted providing the applicant complies with the four "statutory conditions", and providing further that the applicant is not disqualified under the conditions set forth in the Act. Briefly the "statutory conditions" are that the applicant must have made contributions for at least 180 days during the two years immediately preceding the claim; that he proves unemployment on each day for which benefit is claimed; that he is capable of and available for work but unable to obtain *suitable* employment; and that he has not refused to take any course of training, to which he was directed by the Commission. Proof of unemployment is required for each day for which benefit is claimed. Benefit is not paid for the first nine days of unemployment in any "benefit year" nor for the first day of unemployment in any calendar week unless the claimant is unemployed for the whole of that week or for a full week immediately preceding that day. A claimant may be disqualified for varying periods for certain reasons; for example, if he has been discharged for misconduct or if he has voluntarily left his employment without just cause. He is not disqualified merely for refusing an offer of *unsuitable* employment. Appeal provisions are included in the Act to provide for review of disputed cases, either of coverage or of benefit.

Persons who are paid at hourly, daily, weekly or piece rates are insurable regardless of their annual earnings. Other persons are not insurable if their annual rate or remuneration is greater than \$2,400.

Examples of the rates of benefit are:

Benefits.

WEEKLY RATE OF BENEFIT		
(1) Average Weekly Employee Contribution	(2) Single Person	(3) A person with Dependent
cents	\$ cts.	\$ cts.
.12	4.08	4.80
.15	5.10	6.00
.18	6.12	7.20
.21	7.14	8.40
.24	8.16	9.60
.30	10.20	12.00
.36	12.24	14.40

In any "Benefit year", benefit is payable for a number of days equal to one-fifth of the number of days for which he has made contributions in the preceding five calendar years *minus* one-third of the number of days for which benefit has been paid to him in the preceding three calendar years.

The Act sets up an *Unemployment Insurance Fund* out of which the benefit is paid. Contributions to the Fund are made by employers, employees and the Dominion Government. The government's contribution is equal to one-fifth of the total contributed by employers and employees and in addition the government bears the full cost

of administration. The cost of administration is *not* paid out of the Unemployment Insurance Fund. This Fund is held in trust for the payment of benefit only.

Contributions. Rates of contribution by employers and employees are as follows:—

Class of Employed Persons	Weekly Rate	
	Employer	Employed Person
While earning less than 90 cents a day (Sec. 19 (3)).....	18 cents	9 cents (paid on his behalf by the employer)
or		
While under 16 years of age (Sec. 19 (4))		
Earning \$ 5.40 but less than \$ 7.50 in a week	21 cents	12 cents
Earning \$ 7.50 but less than \$ 9.60 in a week	25 cents	15 cents
Earning \$ 9.60 but less than \$12.00 in a week	25 cents	18 cents
Earning \$12.00 but less than \$15.00 in a week	25 cents	21 cents
Earning \$15.00 but less than \$20.00 in a week	27 cents	24 cents
Earning \$20.00 but less than \$26.00 in a week	27 cents	30 cents
Earning \$26.00 or more in a week	27 cents	36 cents

Employment
service.

The Commission has established an Employment Service with employment offices throughout Canada to administer the Act, and to give assistance to workers and employers.

Coming into
force.

Payment of contributions under the Act commenced July 1, 1941, and benefit first became payable at the end of January, 1942.

1. The Export Credits Insurance Act, 1944.

PART I

Part I establishes the Export Credits Insurance Corporation which is managed by a seven-man board including among its personnel the Deputy Minister of Trade and Commerce, the Deputy Minister of Finance and the Governor of the Bank of Canada. An advisory council of not more than fifteen members is appointed by the Governor in Council to advise the board on all matters relative to the administration of the first part of the Act.

The function of the corporation is to facilitate and develop Funds. of \$5,000,000. It may raise additional funds by either selling bonds and debentures or by borrowing from the government.

The function of the corporation is to facilitate and develop Purpose. Canadian trade by insuring exporters against loss caused by insolvency, delays in collection and transfer difficulties in connection with the export of Canadian-produced goods. The liability of the corporation under the contracts of insurance issued and outstanding at any one time is limited to a total of ten times the amount of the paid-up capital and surplus.

PART II

Part II provides that during the three years after the coming into force of this Part of the Act, on the recommendation of the Minister of Finance and the Minister of Trade and Commerce, the Canadian government may assist other governments (or their agencies) in purchasing Canadian-produced goods. Provided that another government requests such aid and provided that it undertakes to indemnify the Canadian Government against loss resulting from such transactions, the Canadian government may assist it to purchase Canadian-produced goods in three ways. The Canadian government may: (a) guarantee the obligations of another government to pay the cost of Canadian-produced goods; (b) make a loan to another government to cover the purchase of such goods; (c) purchase, acquire or guarantee any security issued by another government to any person for Canada for payment of the cost of Canadian-produced exports. The aggregate amount of *guarantees* outstanding at any one time must not exceed \$200,000,000 while the sum total of both *loans* made and outstanding at any one time, and *securities* acquired and held at any one time must not exceed \$100,000,000.

1. Canteen Funds

P.C.	7520, 1940
P.C.	224, 1941
P.C.	1087, 1941
P.C.	1959, 1941
P.C.	74/9130, 1941

A Committee was set up to enquire into and make recommendations *re* the collection and use of canteen funds. They reported on August 30, 1941, and recommended, among other things, that custodians be appointed for the investment of these funds. Custodians were appointed on November 22, 1941, and the funds are being invested in approved securities.

2. Civil Servants in Armed Forces, Protection of

P.C. 18/5610, 1943

The benefits of this Order are applicable to Civil Servants who leave their position for service with:—

- (i) The Royal Canadian Navy,
- (ii) The Canadian Army,
- (iii) The Royal Canadian Air Force,
- (iv) Other Commonwealth Armed Forces,
- (v) The R.C.M.P.,
- (vi) The Corps of Canadian Fire Fighters,
- (vii) The Armed Forces of the United States,
- (viii) The Fighting French Force.

Permanent employees and most temporary employees in permanent positions are deemed to be on leave of absence without pay for the period of their service plus six months.

Temporary employees in temporary positions will be given preference if they apply for temporary appointment to equivalent positions within six months of discharge.

Contributors under the Civil Service Superannuation Act will not be assessed for contributions in respect of the period of their service in the forces, but this period will be considered as service for all purposes of the Act.

Employees absent on leave under this order retain their seniority.

3. Civil Service—Employment Preference

Civil Service Act
P.C. 8541½, 1941
P.C. 4320, 1945

It is provided that appointments in the Civil Service shall be made by the Civil Service Commission after open competitive examination, with a preference, among applicants possessing the necessary qualifications, to persons who have been on active service overseas or on the high seas, and a further preference to persons in receipt of pension, provided in each case that such persons were residents of Canada at the time of their enlistment. (*See* pp. 12 and 13 of Act.)

For the purpose of the Civil Service Act service overseas means service in Europe (including the United Kingdom and Iceland), in the Mediterranean theatre (including Africa), in Asia, or in Australasia. Those without service overseas or who are not pensioners, receive no preference.

The requirement that applicants for positions in the Civil Service must have five years residence in Canada does not apply to those with *overseas* service (Sec. 9, Civil Service Regulations, 1944). Those without overseas service are subject to this residence requirement.

The Secretary of State reports to Parliament in connection with the Civil Service Commission.

4. Clothing Allowance on Discharge

P.C. 200/7093, 1944

P.C. 120/3859, 1945

G.O. 423, 1944

N.O. 3274

N.O. 3962

F.R. & I. (R.C.A.F.) Article 186

Effective August 1, 1944, a clothing allowance of \$100 will be granted to an officer or man on discharge, for the purpose of supplying him with civilian clothes. It will not be paid

- (i) if the discharge is for the purpose of enabling him to join any other Commonwealth Force; or
- (ii) if the service of the person discharged is terminated on conviction by a civil power involving a sentence of penal servitude.

5. Department of Veterans Affairs Act, 1944

The new department administers all measures relating to the care, treatment, training and re-establishment in civil life of veterans and of any person who has otherwise engaged in pursuits relating to the war, and of their dependents. (*See pp. 2 and 3 of Act.*) The department also administers the pensions of veterans and their dependents. (*See pp. 2 and 3 of Act.*)

The Minister makes regulations regarding:—

1. control of hospitals, workshops, etc., used by the government for the care, treatment or training of veterans
2. the care, treatment and training of veterans
3. artificial limbs and appliances
4. the retention of money and properties of those receiving care or treatment
5. guardianship of insane
6. payments of grants and allowances to those receiving care, treatment or training
7. arrangements with other governments and other matters.

The department took over the administration of the Veterans' Land Act and also administers the Veterans' Insurance Act. (*See p. 4 of Act.*)

6. Dependents of former members of the forces residing outside Canada—financial assistance to

P.C. 53/5275, 1944

This is intended to provide financial assistance to *dependents* of former members of the Canadian forces who are residing outside Canada and who find themselves in necessitous circumstances as a result of said former members of the forces having been returned to Canada and discharged.

It provides for the payment to the dependents of such sums of money as are required for their maintenance until they are able to proceed to Canada. Repayment of this money may be required in appropriate cases.

To qualify, the dependent must have been in receipt of dependents' allowance prior to the discharge of the veteran and must have applied to proceed to Canada.

The payments will not exceed the dependents' allowance and assigned pay formerly received by the dependent.

Those interested should apply to:—

the Canadian Wives Bureau, London, England; or
the Dependents' Board of Trustees, London, England.

7. Dependents of Members of the forces—entry into Canada

P.C. 858, 1945

Every dependent, i.e., wife, widow or child (under 18) of a member or former member of the Canadian forces who is serving or has served outside Canada in the present war, shall be permitted to enter Canada upon application for admission.

They will be medically examined before proceeding to Canada and if they have a communicable disease their admission to Canada may be deferred until they can travel with reasonable safety. Otherwise they may proceed to Canada at once and where necessary will be referred for treatment to the Provincial Public Health Services upon their arrival in Canada.

8. The Dual Service Pension

P.C. 160/7746, 1944

P.C. 2971, 1945

It is designed to assist ex-servicemen who have seen service in the Canadian Armed Forces in both world wars in their return to civil life. It is intended to protect the older servicemen who are not eligible for benefits under the War Veterans' Allowance Act. (*See V. 22*).

The pension is payable to any ex-serviceman in the Canadian Forces in this war, who has seen service in both wars, and who has attained the age of 60 years, or, if below that age, is permanently unemployable or is unlikely to become capable of maintaining himself by his own efforts; or to the widow of such a veteran if over 55 years or incapable of self support; or to the orphaned child of such veteran.

The rates are at a maximum of \$365 a year to a bachelor (or widow or widower), \$730 a year to a married man (or widow or widower) with dependents, and \$360 for a single child, \$648 for two children, or \$730 for more than two children.

9. Estates of Deceased Members of the Armed Forces

P.C. 1065, 1940

P.C. 4770, 1941

These order the appointment of an Administrator of Estates to supervise the administration of estates of deceased members of the Armed Forces.

For further information apply to:—

Director of Estates
308 Sparks Street
Ottawa, Ontario.

10. Free Space for Concession Stands

P.C. 2695, 1944

The Order authorizes the making of agreements between the government and the Canadian National Institute for the Blind for the granting of space in buildings owned or occupied by the Federal government for the purpose of operating booths or stands for the sale of tobacco, candy, etc., by blind or seriously disabled veterans.

11. Mining Rights

P.C. 3136, 1939

Any person on active service who holds mining rights under the Yukon Quartz and Placer Mining Acts shall not be required to comply with requirements under the Act until six months after demobilization.

12. Pensions—Pension Act as consolidated to 1941 and Orders in Council relating thereto, viz.:—

P.C. 104/3546, 1942 (*See* II 2)

P.C. 100/2757, 1942 (*See* III 4)

P.C. 44/1555, 1944 (*See* III 2)

P.C. 119/2595, 1944

P.C. 117/3088, 1944

P.C. 50/6270, 1944 (*See* III 2)

P.C. 9553, 1944

P.C. 213/185, 1945

P.C. 2395, 1945

Coverage.

Pensions may be paid to former members of the Canadian Armed Forces, including the C.W.A.C., R.C.A.F. (W.D.) and W.R.C.N.S. Provision is also made by Orders in Council for payment of pension for disability or death incurred by merchant seamen, salt-water fishermen, members of the Corps of (Civilian) Canadian Fire Fighters and members of the Auxiliary Services, and for the payment of detention allowances to merchant seamen who may be captured or interned in a foreign country.

In the case of former members of the forces, pension may be awarded for disability or death resulting from injury or disease, or the aggravation thereof, which is attributable to or incurred during military service. When such service has been rendered in peacetime or wholly rendered in Canada, since May 20, 1940, pension may be awarded only if the injury or disease, or aggravation thereof arose out of or was directly connected with military service. (*See* pp. 9

and 10 of Act.) If the applicant is seriously disabled and in necessitous circumstances, or, in the case of his death, if his dependents are in necessitous circumstances, the Pension Commission has discretionary power to grant awards in cases in which pension is not awardable as of right, provided the disability was incurred during service. (See p. 10 of Act.)

In every case where a member of the forces is discharged for medical reasons his papers are examined by the Pension Commission and, if he is entitled to it, a pension will be awarded automatically. This does not prevent a man who has not been awarded a pension from making application.

When a claim is not wholly granted, the applicant is advised that he may reconsider his application without the imposition of any time limits, and when ready, inform the Commission of his future intentions as to the further prosecution of his claim, either by renewed application or a hearing before an Appeal Board of the Commission, in person, or by or with a representative. The decision of the Appeal Board is final. Procedure.

Except where total disability exists, the disability pension is not meant to provide complete maintenance, but only that part of maintenance which the man or woman has lost the power to provide. (See p. 16 of Act.) Thus a totally disabled person receives a 100 per cent pension; a 50 per cent disabled person receives a 50 per cent pension; and so on. Additional pension for dependents is provided, which is also graduated in accordance with the degree of disability.

The rates for a 100 per cent disability for all ranks up to and including Sub-Lieutenant (Navy), Lieutenant (Military) and Flying Officer (Air) are:—

Man	\$900
Wife	300
First child	180
Second child	144
Each subsequent child..	120 (See pp. 38 and 39 of Act)

Higher rates are provided for higher ranks, but additional pension for wives and children is the same for all ranks. An additional allowance for helplessness, not exceeding \$750 per annum, may be paid in cases of total disability when the services of an attendant are required. (See p. 19 of Act.)

An additional award of up to 18 months' pension may be made to correct any injustice which is due to delays beyond the applicant's control.

A grant not to exceed \$150 may be made for last sickness and burial expenses. (See p. 22 of Act.)

The rates of pension for widows and children of all ranks up to Lieutenant are:—

Widow	\$720
First child	180
Second child	144
Each subsequent child....	120 (See p. 39 of Act)

The rank on which pensions are computed is the rank or acting rank for which pay and allowances were being received at the time of the appearance of the injury or disease. No variation of rank after the appearance of the disability shall affect any pension. (See p. 11 of Act.)

Orphaned children receive double the rates for children. (See p. 39 of Act.)

Dependent parents may be pensioned at the rate for a widow (See p. 39 of Act), except when there is a pensioned widow, or children, in which case each parent may receive \$30 a month (P.C. 117/3088, 1944), and under certain statutory conditions pension may be awarded to a dependent brother or sister.

13. Post-Discharge Re-establishment Order

P.C. 5210, 1944
as amended by
P.C. 108/8367, 1944
P.C. 128/8367, 1944
P.C. 331, 1945
P.C. 3757, 1945
P.C. 4161, 1945
P.C. 215/4940, 1945

To whom
applicable.

The order provides five types of benefits for those honourably discharged or retired from

- (a) the Naval, Military or Air Forces of Canada, the C.W.A.C., the R.C.A.F. (W.D.) and the W.R.C.N.S.; and
- (b) other Military, Naval or Air Forces of His Majesty provided that such person was domiciled in Canada at the time of his enlistment therein in the present war.

The five cases in which benefit may be paid are as follows:

Out-of-work
benefit.

1. *Out-of-Work Benefit*

Person must be capable of and available for work but unable to obtain suitable employment. It shall not be paid for the first nine days of unemployment nor for any period for which he may have been paid a Rehabilitation Grant, and the total period for which it may be paid shall not exceed his period of service nor shall it in any case exceed 52 weeks. Payment shall not be continued beyond 18 months after discharge, with possible extension where the discharged person was undergoing hospital treatment or temporarily incapacitated during the initial period.

Vocational
and technical
training
benefit.

2. *Vocational and Technical Training Benefit*

A discharged person is eligible when pursuing approved vocational or technical training or other approved educational training (except university education dealt with in 5. below) which will fit him for re-employment or will enable him to obtain more suitable employment. This will normally be limited to 52 weeks but the Department may extend this period if progress is satisfactory and further training required provided that the total period does not exceed the period of service. Application must be made within 12 months after the end of the war or 12 months after discharge, whichever is the later. These restrictions are removed in the case of a discharged person who is in receipt of a pension and who is unable to follow his pre-war or principal post-war occupation. Additional payments may be made for tuition fees and other costs of the course, including a \$5 weekly grant to a married person or a person with dependent, when forced to train away from his home.

Awaiting
returns
benefit.

3. *Awaiting Returns Benefit*

A grant may be paid where a discharged person is awaiting returns from agricultural or other enterprise in which he is engaged on his own account. This grant must be applied for within 12 months

after the end of the war or after discharge, whichever is later, with further time allowed in cases where the period includes time spent undergoing hospital treatment.

The total period for which a grant may be paid shall not exceed the discharged person's period of service nor shall it in any case exceed 52 weeks. A grant shall not be paid for any period for which a rehabilitation grant is paid.

4. *Temporary Incapacity Benefit*

Temporary
incapacity
benefit.

A grant may be paid where a discharged person is incapacitated from accepting work or from taking training by reason of a disability and is not entitled to care under the Department's treatment regulations. Payments will be made only within a period of 18 months after discharge.

No grant shall be paid or continued beyond eighteen months after discharge and shall not be paid during period rehabilitation grant is in payment.

5. *University Education*

University
education
(under-
graduate).

(a) *Undergraduate*

A grant may be paid to a discharged person who

- (i) resumes or commences, within 15 months of discharge, a course which will qualify him for admission to a university, or
- (ii) resumes a university course within 15 months of discharge, or
- (iii) is admitted to a university within 15 months of discharge; with provision for a longer period in cases of ill-health or for any other reason satisfactory to the Department.

No more than two failures allowed and no supplementals may be carried over into the next academic year. Tuition and other university fees are paid. Travelling expenses are *not* paid.

(b) *Post-graduate*

University
education
(post-
graduate).

If the Department, having considered his attainments and his course, considers it to be in the public interest, a grant may be paid to enable a discharged person to resume or commence a post-graduate course, and such course must normally be undertaken within 15 months after discharge.

University education grants will not normally be paid for a period longer than the discharged person's period of service. If outstanding scholarship is shown the benefit may be extended beyond the length of service.

Correspondence Courses

Correspondence
courses.

Payment of fees may be authorized either during a discharged person's period of hospitalization, or, under certain conditions, while he is employed.

Monthly Rates

Monthly
rates.

The Out-of-Work benefit, Awaiting Returns benefit and Temporary Incapacity benefit are each \$50 for a single person, plus \$20 for dependent wife (or husband); \$15 for dependent parent; \$12 for each of the first two children; \$10 for the third, and \$8 for the fourth, fifth and sixth. For Vocational and Technical Training, University Education (undergraduate) and University Education (post-graduate) benefits, the rates are \$10 higher for a single person with the same additional amounts for dependents as above.

Payments under this order (other than those for fees or costs of courses) may be reduced on account of any wages, pension, salary or other income received in respect of the period for which such payment is made.

Payment will normally be limited to those residing in Canada, but this may be waived if training elsewhere than in Canada is deemed advisable. Payments for vocational or educational training are not subject to taxation under the Income War Tax Act. Different benefits may be paid consecutively but not concurrently.

Unemployment
insurance
provisions.

Unemployment Insurance Provisions

If a discharged person completes fifteen weeks in insurable employment within any one year, he will be considered as having been in insurable employment for the period of his service in the Armed Services after June 30, 1941, when the Act came into effect, for purposes of the Act, and all contributions will be deemed to have been paid for his time in the Armed Services.

However, upon his making application for unemployment insurance benefit, any out-of-work benefits he has received will be considered as unemployment insurance benefit.

P.C. 5210, 1944, replaces an earlier Post-Discharge Re-establishment Order, P.C. 7633, 1941.

14. Rehabilitation Grants

P.C. 7521, 1940

P.C. 890, 1941

P.C. 3544, 1941

P.C. 2349, 1944

Every member of the Naval, Military or Air Forces of Canada who has served on active service during the present war for a period of not less than 183 days (exclusive of time in cells, detention, prison, in a state of desertion, complete days of absence without leave, or leave without pay) shall, on discharge (or on retirement or on ceasing to serve on active service), be granted an amount equal to thirty days' pay of the rank or appointment held on discharge. In addition his dependents will receive one month's Marriage and/or Dependents' Allowance. The grant will not be paid if discharge was

- (a) by reason of a sentence of a court-martial or disciplinary court, or in the case of the Naval Forces, a punishment of dismissal forming part of a summary award,
- (b) by reason of a conviction by the civil power involving a sentence of imprisonment, or
- (c) for the purpose of immediate appointment, enlistment or enrolment in any other of the Naval, Military or Air Forces of Canada or in any other Forces of His Majesty or His Majesty's Allies, provided that on completion of 183 days' combined continuous service in any two or more of the Armed Forces of Canada, such member shall be eligible on ceasing to serve to receive the Rehabilitation Grant.

When any officer or man who, by reason of his having previously served on active service in the Naval, Military or Air Forces of Canada, has in respect of such service been paid the Rehabilitation Grant, and subsequently serves again in any of the said Forces on active service, he shall be eligible upon his subsequent retirement or discharge, or ceasing to serve on active service, for a further Rehabilitation Grant, provided the foregoing conditions are fulfilled. *But*, in

the event of his rejoining any of the said Forces within thirty days of his previous retirement or discharge or of his having ceased to serve on active service, one-thirtieth of the amount of the grant paid to him shall be deducted from his pay for each day of the thirty days still to run, provided that if the officer or man fails by reason of lack of service to qualify for a further Rehabilitation Grant he shall be entitled to a refund of the portion of the Rehabilitation Grant recovered from him at the time of his re-appointment or re-enlistment. The grant is not subject to Dominion Income Tax.

15. The Reinstatement in Civil Employment Act, 1942

The Reinstatement Regulations, P.C. 77, 1945
P.C. 5329, 1945

This Act provides that "it shall be the duty of any employer by whom a person accepted for service in His Majesty's forces was employed when accepted for such service, to reinstate him in employment at the termination of his service...under conditions not less favourable to him than those which would have been applicable to him had he remained in the employment of that employer". Seniority, promotion, vacation, and pension rights must be observed as though the period of "service in His Majesty's forces" had been actually served with the former employer. Terms of reinstatement.

If a person entitled to reinstatement under the Act takes some other employment at the direction or request of National Selective Service, his period of "service in His Majesty's forces" is not considered over until he leaves this employment. Coverage.

An employee who has been reinstated may not be dismissed without reasonable cause, and an employer who dismisses an employee within six months of reinstatement must prove the existence of a "reasonable cause".

For the purposes of the Act, "service in His Majesty's forces" means:—

- (a) active service in the present war in the naval, military or air forces of His Majesty (including women's services);
- (b) any period of training, service or duty in consequence of having been called out under the *National Resources Mobilization Act, 1940*;
- (c) service as a merchant seaman for at least six months beginning on or after September 9, 1939. Applicant must be a British subject and a citizen of and resident in Canada, but may serve in a ship of any country except one at war with the United Nations. Service in inland waters is excluded;
- (d) service as a member of the Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom;
- (e) active service in the present war in the naval, military or air forces of any of the United Nations.

A person seeking reinstatement under the Act must have been employed by the employer concerned for at least three months immediately prior to the date of acceptance for war service. The Act protects employees who leave to enter war service and are rejected, and also protects against arbitrary dismissal of an employee in anticipation of war service. Procedure.

An applicant for reinstatement must apply to his former employer

- (a) within three months of discharge in Canada or release from hospital treatment following discharge in Canada; or
- (b) within four months of discharge overseas or release from hospital treatment following discharge overseas.

This application may be made verbally or in writing.

If the applicant is physically or mentally incapable of performing work available with his former employer he must do *both* the following

- (a) notify his former employer, within the time limits mentioned above, that he intends to apply for reinstatement; and
- (b) make the actual application within
 - (i) nine months of discharge in Canada or release from hospital treatment following discharge in Canada; or
 - (ii) ten months of discharge overseas or release from hospital treatment following discharge overseas.

Excepted cases.

An employer is not required to reinstate an applicant in the following cases:—

- (a) if, "by reason of a change of circumstances, other than the engagement of some other person to replace him", it is not "reasonably practicable" to reinstate him.
- (b) if the former employee is "physically or mentally incapable of performing work available in the employer's service". Note, however, that if the incapacity is only temporary the employee can protect himself as indicated under "Procedure" above.
- (c) if the former employee was hired to take the place of an employee who had been previously accepted for service in His Majesty's forces, and who has been or is to be reinstated.

Assistance of reinstatement officer.

Reinstatement Officers are being appointed to assist in claims for reinstatement. If for example, a person has been offered reinstatement, and is of the opinion that the work does not meet with the requirements of this Act, he may apply to a Reinstatement Officer for assistance. The fact that the employee has accepted the original offer of reinstatement does not prejudice his claim. If the question of physical or mental fitness is raised, a medical examination may be arranged by the Reinstatement Officer. Also, if the Reinstatement Officer decides that legal proceedings should be instituted against an employer on behalf of a former employee, this may be done without cost to the employee.

Apprenticeship contracts.

The Act also applies to contracts of apprenticeship interrupted by war service, but any relevant training obtained in His Majesty's forces is to be taken into account when reviving or renewing the agreement.

Administration of Act.

This Act is administered by the Minister of Labour through the Employment and Selective Service Officer.

16. Soldier Settlement Act—amendments to

P.C. 10472, 1942

The Order

- (i) permitted the authorities to extend the terms and to reduce the indebtedness under the Soldier Settlement Act;
- (ii) authorized the lowering of the rate of interest on loans under the Act to $3\frac{1}{2}$ per cent for any person who, in the present war, has served in a theatre of actual war or who has served a minimum of twelve months or who is in receipt of a war disability pension.

Prior to the passage of this order, financial concessions of many types amounting in all to over \$43,500,000 had been made to settlers under the Act, and as a result of this order approximately 1,550 soldier settlers have benefited, or will benefit, by debt reduction.

17. Treatment and Hospitalization

P.C. 4465, 1944

P.C. 1144, 1945

P.C. 2107, 1945

P.C. 3168, 1945

Adequate provision has been made by the Department of Veterans Affairs to cover the whole field of necessary treatment—medical, surgical, tuberculosis, mental and all the accepted specialties. Treatment is provided:—

- (a) In a chain of modern active treatment hospitals owned by the Department and spread across Canada. To each of these hospitals is attached an active outpatient department;
- (b) By contract arrangements in a number of civilian hospitals; and
- (c) By the employment of Departmental Representatives in practically every urban and rural centre in the Dominion.

Treatment is only provided through these facilities, and expenses in connection with treatment cannot be incurred independent of the organization set up to provide such treatment.

Patients undergoing treatment receive certain allowances which are enumerated at the end of this section. Treatment once commenced which is continued uninterruptedly is carried to completion. The payment of hospital allowances however is governed by the provisions set out under the heading of "Types of Allowances".

Twelve classes of patients are recognized.

Classes of
patients.

Class 1: a veteran, who has a pensionable disability and who requires treatment for that disability; and any person referred to the Department by the Canadian Pension Commission for observation;

entitled to: Hospital allowance.

Class 2: a veteran who is under treatment at time of discharge, or who requires treatment for a disability existing at that time. He must report to the Department within 30 days, and treatment cannot be interrupted without permission;

entitled to: Pay and Allowances for one year; if disability is pensionable, pay and allowances for two years or longer in certain cases. The Department may transfer the case to Class 1 for the first two years if cash benefits would thereby be increased.

Class 3:

- (a) a veteran who, within one year after discharge or discharge from Class 2, requires and commences treatment for any disability not attributable to service;
- (b) a veteran who requires treatment in order to take, or while taking training under the Post-Discharge Re-establishment Order;

- (c) a veteran of the present war who served in His Majesty's Forces other than the forces of Canada;
entitled to: Special Hospital Allowance, for a period equivalent to his length of service, to a maximum of 52 weeks.

Class 4:

- (a) Treatment for venereal disease contracted prior to service, aggravated during service in a theatre of active operations, and which is pensionable;
entitled to: Hospital allowance, if veteran is with dependents; if without dependents, an allowance equal to the pension payable when treatment began *or* Hospital Allowance, whichever is less.
- (b) V.D. contracted during service;
entitled to: Comforts and clothing.

Class 5:

- (a) a veteran who receives a pension from World War I, or saw meritorious service in theatre of active operations in the present war, who is not suffering from a chronic or contagious disease and is in necessitous circumstances;
- (b) a veteran of the present war who receives a pension which was based on his necessitous circumstances (Section 11 (3) of the Pension Act); or
- (c) a veteran who is still seriously ill from a non-pensionable disability or is awaiting decision on treatment for a pensionable one;
entitled to: Comforts and clothing.

Class 6: Veterans' Care for a totally disabled veteran who is in necessitous circumstances;

entitled to: Quarters and maintenance together with comforts and clothing, subject to deductions to a maximum of \$40 per month out of any income (exclusive of dependents' pension benefits).

Class 7: This covers Canadian Merchant Seamen, Canadian salt-water fishermen, ex-members of the Canadian Auxiliary Services, ex-members of the Corps of (Civilian) Canadian Fire Fighters, and certain Government employees whose qualifications come under other regulations;

entitled to: Hospital allowance.

Class 8: A veteran drawing rations and quarters in a hospital or home of the Department, while awaiting examination required by the Pension Commission or the Department of Veterans Affairs;

entitled to: Allowance for Loss of Wages. A veteran whose examination is at the request of the War Veterans' Allowance Board or the Civil Service Commission may also be admitted under this class, but is not entitled to an allowance for loss of wages.

Class 9: A veteran requiring emergency treatment or who contracted a contagious disease while in the employ of a Departmental hospital;

entitled to: Comforts and clothing. Cost of the emergency treatment is recoverable from the patient. A veteran with a 25-79 per cent pension who suffers an injury from industrial employment will be admitted for treatment under this class.

Class 10: Anyone on active service with the Naval, Military, or Air Forces of Canada.

Class 11: Covers members and ex-members of the Permanent Force, Naval Service, R.C.A.F. of Canada, R.C.M.P., or N.P.A.M.

Class 12: A person being treated or cared for as a member of the Allied forces, or at the request of a Government Department, or because such treatment could not otherwise be obtained. In none of these cases does responsibility for the expense of treatment rest upon the Department.

There are special allowance provisions for psychiatric cases.

General Provisions

- (a) *Outpatient Treatment:* is provided where disability, due to active service, or otherwise if patient qualifies within the classes listed above, while convalescing, or during treatment pending admission to a hospital, or where the patient cannot safely be moved from his home. The patient may receive, in addition, such allowance as his Class entitles him to.
- (b) *Prosthetic Appliances:* artificial limbs, artificial eyes, hearing aids, are provided and repaired where disability due to service, or otherwise if patient qualifies within the classes listed above.
- (c) *Funeral and Burial Expenses:* are provided in event of death of a patient or outpatient.
- (d) *Dependents:* establishment of dependency largely corresponds with the rulings of the Canadian Pension Commission. Dependents are not entitled to treatment.
- (e) *Reimbursement:* at discretion of the Department, when treatment is obtained elsewhere *and* the treatment would have been furnished by the Department; similarly, if the treatment has previously been refused by the Department but is subsequently approved.
- (f) *Vocational training:* a pensioner who, by reason of increased disability, is unable to follow his pre-war or his principal post-war occupation but has reasonable hope of success of requalifying in permanent employment, qualifies for training and for the normal training allowances.
- (g) *Conditions:* only in exceptional cases will treatment be supplied elsewhere than in Canada. All treatment benefits are forfeited if the patient disobeys hospital rules, refuses necessary treatment (except in cases of major surgery), is guilty of improper conduct, or refuses to perform reasonable hospital duties.

Allowances

- (a) *Hospital Allowance:* an amount equal to that which the former member of the forces would receive (including allowances for dependents) if in receipt of a pension for 100 per cent disability *less*, while an in-patient, \$15 per month. Of this sum, not more than \$10 per month may be paid directly to the man himself, most of the remainder goes to his dependents, and the balance is paid out as the Department rules.

- (b) Pay and Allowances: covers all pay and allowances of rank, and includes Dependent's Allowance, and, in the case of an outpatient, subsistence allowance.
- (c) *Special Hospital Allowance*: equivalent to the Temporary Incapacity Benefit under the Post-Discharge Re-establishment Order, i.e., \$50 a month if single, \$70 for a man and wife plus \$12 for the first and second child, \$10 for the third, and \$8 for the fourth, fifth, and sixth. Deductions are made to the amount of any pension or any other income in excess of \$20 a month, with a further deduction of \$15 where the discharged is without dependents and is an in-patient.
- (d) Comforts and Clothing: provided only when the discharged person is without resources of his own. A cash allowance of \$5 per month for comforts, and clothing to an equal value is provided.
- (e) Compensation for Loss of Wages: may be paid, up to a maximum of \$5 per day (generally when the discharged person has been ordered to report).
- (f) Travelling Expenses: according to a definite schedule, railway transportation, meals, and board expenses may be paid in certain cases.

18. Veterans' Insurance Act, 1944

Purpose.

War Veterans' Insurance is designed primarily to permit service men or women whose health is impaired to provide protection for their dependents. This is possible through making the insurance available with very few exceptions, to any ex-service man or ex-service woman without medical examination. Even though in many cases they could not pass commercial insurance companies' medical examinations, they can provide the needed protection through the Veterans' Insurance Act.

Type of insurance.

Insurance under the Veterans' Insurance Act does not pay dividends on premiums paid. It may be bought in amounts from \$500 or any multiple thereof up to \$10,000. Policies may become paid up in 10, 15 or 20 years, or at the age of 65 or 85. There are a number of premium plans ranging from monthly instalments to annual payments.

Those who may apply.

Any ex-service man or woman is entitled to apply for insurance under this Act. In addition, a widow or widower of a veteran may apply for insurance on himself or herself, if the veteran was not insured under the Act. Other persons, such as merchant navy personnel who are in receipt of a pension under the Pension Act relating to service in the present war also are eligible.

Method of payment.

The maximum amount which may be paid at death is \$1,000, with the remainder being paid, at the option of the insured, in one of the following three ways:

- (1) The money, plus $3\frac{1}{2}$ per cent interest, may be paid to the beneficiary in equal instalments over a period of five, ten, fifteen or twenty years, as selected. If the beneficiary dies, the payments are continued to his or her estate.
- (2) The money may be paid in equal instalments as long as the beneficiary lives.

- (3) As in (2), but instalments are guaranteed for five, ten, fifteen or twenty-years, whether the beneficiary lives or dies.

The method of payment must be chosen by the insured when making application for insurance, but this may be changed later by application to the Department.

In the case of a married veteran, the beneficiary must be his wife or husband or one or more of his children, or both the wife and one or more of the children. In addition, an alternative beneficiary, such as mother, father, sister or brother, may be named to receive the insurance if at death he is a widower without children. In the case of an unmarried man, his future wife will be shown in the policy as beneficiary, but a contingent beneficiary, such as mother, father, sister or brother, should be named. Beneficiaries under the Act.

If the man dies without beneficiary or contingent beneficiary, only the cash surrender value of the policy is paid into the estate. When more than one beneficiary or contingent beneficiary is named, the insurance may be divided among them according to the wishes of the insured.

If, on the death of the insured, the beneficiary receives a pension, The effect of war pensions. the insurance money will be paid as follows:

- (1) If the policy is paid up, the full face amount of it will be paid to the beneficiary in the manner elected by the insured, plus the pension.
- (2) If the policy is not paid up, then the capitalized value of the pension will be deducted from the face value of the policy and instead, the beneficiary will receive the paid-up value of the portion deducted, plus the excess, if any, of the face amount of the insurance over the capitalized value of the pension. If the policy has been in force at least six months and the beneficiary is the wife or husband or children, or both, of the insured, at least \$500 will be paid as well as the paid-up value of the remainder.

If the beneficiary is the wife, and a pension is awarded, under the Pension Act to some other person, no deduction will be made from the insurance on account of pension award. Waiver of premiums.

War Veterans' Insurance has a disability benefit which provides for the waiver of premiums if the insured becomes totally and permanently disabled before reaching the age of 60 years, provided he is not in receipt of full pension for the disability. The policy also provides for conversion options, such as cash surrender value, paid up insurance, and extended term insurance, after the premiums have been paid for two full years.

Application for War Veterans' Insurance may be made at any time within 3 years of proclamation of the Act or within 3 years of discharge, whichever is the later date. The time of application.

The Act was proclaimed effective from February 20, 1945, and is administered by the Department of Veterans Affairs.

19. Veterans' Land Act, 1942

as amended by

P.C. 11138, 1942
 P.C. 7990, 1943
 P.C. 3250, 1944
 P.C. 3847, 1944
 P.C. 2020, 1945
 P.C. 2122, 1945
 P.C. 2227, 1945
 P.C. 2231, 1945
 P.C. 2517, 1945

This Act meets the need of four different groups of veterans.

Full-time
farming.

(a) Those who have had practical farming experience and who wish to farm on purchased lands as a full-time occupation.

Small holding
with industrial
or other
employment.

(b) Those who have assurance of a steady income and who wish to obtain a small holding settlement, i.e., a suburban, rural or semi-rural home on limited acreage located close to employment opportunity.

Small holding
with
commercial
fishing.

(c) Those who have had practical experience in commercial fishing, whose normal occupation is in that industry and who wish to obtain a small holding settlement coupled with commercial fishing in coastal and inland areas where commercial fishing is a recognized industry.

Benefits.

Financial assistance is available to "qualified" applicants to a maximum of \$6,000—a maximum of \$1,200 may be used for farming equipment, live stock, etc., or for commercial fishing gear. Provision of stock and equipment is limited to reasonable needs. A veteran within group (b) would not require as much as one within (a) or (c). Certain items of household equipment and tree and bush fruit nursery stock may be supplied. The veteran must make a down payment of 10 per cent of the cost of *land and buildings*. In addition he repays two-thirds of the cost of land and buildings. He can extend the financing up to 25 years with interest at $3\frac{1}{2}$ per cent. This means that, provided he complies with the terms of his contract for 10 years, the Government absorbs approximately 24 per cent of the cost of the land and permanent improvements, and the total cost of the chattels. (See pp. 5 and 6 of Act, and P.C. 7990, 1943.)

Farming on
owned land.

(d) Those who wish to resume farming operations on land already owned by them.

Benefits.

In this case the advance is limited to \$4,400 with interest at $3\frac{1}{2}$ per cent and must not be more than 60 per cent of the approved value of the land. Further, no more than \$2,500 of the loan can be used for the purchase of live stock and farm equipment, and the loan for this purpose must not exceed 50 per cent of the approved value of the land. (See p. 7 of Act, and P.C. 3250, 1944.)

In order to assist veterans settling on Provincial land, who would not otherwise benefit from the Veterans' Land Act, the Act was amended by Order in Council, P.C. 2122, 1945.

The Minister of Veterans Affairs may make agreements with any Province for the settlement of veterans on Provincial lands. The Director of the Veterans' Land Act may make a grant of up to \$2,320 to veterans settling on Provincial lands pursuant to such agreement, for one or more of the following purposes:

- (a) For the purchase of essential building materials and other costs of construction.
- (b) For the clearing and other preparation of land for cultivation.
- (c) For the purchase of essential farm live stock and machinery.
- (d) For the purchase of machinery or equipment essential to forestry.
- (e) For the purchase of commercial fishing equipment.
- (f) For the purchase of trapping or fur farming equipment but not breeding stock.
- (g) For the purchase of essential household equipment.

Similar grants may be made on behalf of Indian veterans settling on Indian Reserve lands, but in this case the Minister of Mines and Resources is responsible for the control and management of the grant in trust for the veteran.

Provision is made for the placing of veterans with selected farmers for *further* practical instruction in farming and for short refresher or special courses for those with adequate practical experience, at agricultural colleges and other similar institutions. Agricultural training.

Before any veteran may be granted financial assistance he must have had service as defined by the Act and must be certified as qualified for establishment in the undertaking for which he desires financial assistance. Eligibility.

The veteran may select his farm or small holding in any location in Canada, but the Director of the Act must be satisfied that the value is there and that there is reasonable opportunity for successful rehabilitation. Veterans' Land Act officials must be consulted before the veteran makes any commitment. Selection of property.

Before any action may be taken to rescind a veteran's contract for default in performance of his agreement, the question of such rescission must be submitted to the Advisory Board of the Province in which the land is situated. Rescission of agreement.

Regional Offices of the Veterans' Land Act administration have been set up throughout Canada, with a local Advisory Committee at each to assess the qualifications of applicants and pass on the suitability and value of lands. All lands acquired for the purposes of this Act will come under close examination of experienced appraisers and review by local committees. The veteran will have the benefit of sound advice of local committee members to ensure in so far as possible that the type of establishment proposed offers reasonable prospect of successful rehabilitation. Administration.

Experienced staff and fieldman will be available to assist and advise veterans in problems relating to farm management and operation. It is planned to take full advantage of the facilities available in the Dominion and Provincial Departments of Agriculture and Agricultural Schools and Colleges.

20. The Vocational Training Co-ordination Act, 1942

P.C. 9597, 1944

P.C. 9471, 1944

P.C. 1648, 1945

P.C. 2486, 1945

P.C. 3211, 1945

P.C. 4882, 1945

The Minister of Labour is authorized

- (i) to undertake projects to provide vocational training for
 - (a) former members of the Canadian Forces or
 - (b) former members of any Commonwealth Force who were domiciled in Canada at the time of enlistment or
 - (c) other persons referred to him by the Minister of Veterans Affairs;
- (ii) to provide vocational training for
 - (a) war workers;
 - (b) unemployed persons referred to him by the Unemployment Insurance Commission;
 - (c) workers on conservation projects *re* natural resources;
- (iii) to give financial assistance to the Provinces for vocational training projects undertaken for any of the above purposes, and for certain other projects.

To date the training program has been carried out almost entirely in co-operation with the several Provincial Governments.

By the authority of P.C. 9597, 1944, the Department of Labour may establish schedules of wage rates for trainees taking training on the job under section (i) above, without it being necessary for the employer to apply to a War Labour Board for the fixing of rates. When fixing the rates, the Department will also determine the length of the training period on the basis of the nature and extent of the skill to be acquired and the previous experience and training of the trainee. The rates will be approximately 80 per cent of the wage ordinarily paid by the employer for persons in the occupational classification in which the person is being trained. Payments to the trainee will come part from the employer, part from the Department of Veterans Affairs. The employer's part will be related to the value received from the trainee's services, and will increase as training progresses. The Department of Veterans Affairs' part may not exceed the sum which may be paid under the Post Discharge Re-establishment Order (*See* V. 13).

NOTE: By agreement between the Departments of Labour and Veterans Affairs, the Department of Labour is obliged to make arrangements for and carry through courses of vocational and industrial training for veterans. However, the Department of Veterans Affairs must approve the individual for training and that department pays maintenance allowances and where tuition fees are required will meet that charge also.

By the authority of P.C. 9471, 1945, the Minister of Labour may enter into agreement with any province (under the provisions of the Vocational Training Co-ordination Act) to provide pre-matriculation training for veterans approved by the Minister of Veterans Affairs, to fit them for entrance to university.

21. The War Service Grants Act, 1944

P.C. 9440, 1944
 P.C. 165, 1945
 P.C. 450, 1945
 P.C. 792, 1945
 P.C. 1221, 1945
 P.C. 2239, 1945
 P.C. 3857, 1945
 P.C. 5046, 1945

There are two classes of benefits available to members of the Canadian Armed Forces after discharge under the War Service Grants Act, 1944:

- (a) War Service Gratuity;
- (b) Re-establishment Credit.

All members of the naval, military and air forces of His Majesty raised in Canada who have served on active service during the present war either without territorial limitation or in the Aleutian Islands, or N.R.M.A. personnel despatched to the United Kingdom or to the European or Mediterranean operational theatres, and who have been honourably discharged, are entitled to the War Service Gratuity. There are certain provisions in favour of Canadians who have served in His Majesty's forces other than those raised in Canada.

The War Service Gratuity is made up of:

War Service
Gratuity.

- (a) Basic Gratuity
 - (i) for every 30 days' service in the Western Hemisphere (while enlisted or obligated to serve without territorial limitation)..... \$ 7.50
 - (ii) for every 30 days' service overseas or in the Aleutian Islands..... 15.00;
- (b) Supplementary Gratuities for every 6 months' service overseas or in the Aleutian Islands, or proportionately for periods less than 6 months—7 days' pay and allowances which include dependents' allowances where applicable and subsistence allowance in any event at standard Canadian rates.

In computing the length of service, periods of leave of absence without pay, absence without leave, penal servitude, imprisonment or detention and periods when pay is forfeited are not included.

Length of
Service.

"Overseas Service" is defined in the Act as follows:

"Overseas
Service."

"Any service involving duties required to be performed outside of the Western Hemisphere and including service involving duties required to be performed outside of Canada and the United States of America and the territorial waters thereof in aircraft, or anywhere in a seagoing ship of war."

"The Western Hemisphere" is defined in the Act as follows:

"The Western
Hemisphere."

"The continents of North and South America, the islands adjacent thereto and the territorial waters thereof including Newfoundland, Bermuda and the West Indies but excluding Greenland, Iceland and the Aleutian Islands."

The War Service Gratuity will be paid in monthly instalments commencing one month after discharge and not exceeding the amount of pay and allowances paid immediately prior to discharge, plus subsistence allowance, even if the latter was not paid prior to discharge. (Rehabilitation grant of 30 days' pay and allowances and clothing allowances will be paid upon discharge.)

Payment.

The War Service Gratuity or any unpaid balance thereof is payable under certain conditions to dependents of a sailor, soldier or airman who died while serving or before the gratuity was fully paid to him. If no dependent qualifies to receive the gratuity, it shall form part of the deceased's "service estate".

Board of
Review.

Under the War Service Gratuity Regulations 1944 (P.C. 9440, 19 Dec., 1944), a Board of Review is established to review all cases where the veteran has been adjudged not entitled to gratuity.

Re-establish-
ment Credit.

The Re-establishment Credit is available under the provisions of The War Service Grants Act, 1944. It is primarily for those members of the forces who do not elect to take benefits under the Veterans' Land Act, 1942, or any educational, vocational or technical training benefits. In order to assist them in their re-establishment, all such members of the forces entitled to the War Service Gratuity are eligible, in addition thereto, for a Re-establishment Credit, to be used for certain specified purposes shown below, equal in amount to the Basic Gratuity payable to them. It is a grant, *not* a loan.

All or any part of the Re-establishment Credit may at any time within a period of 10 years be made available to such member for the purpose of his re-establishment in Canada, if it is shown to the satisfaction of the Minister that such credit is to be used for

- (i) the acquisition of a home, to an amount not exceeding two-thirds of the equity as determined under the Act;
- (ii) the repair or modernization of his home, if owned by him;
- (iii) the purchase of furniture and household equipment for his domestic use, to an amount not exceeding two-thirds of the cost;
- (iv) working capital for his profession or business;
- (v) the purchase of tools, instruments or equipment for his trade, profession or business;
- (vi) the purchase of a business, to an amount not exceeding two-thirds of the equity fund required for the purpose;
- (vii) payment of premiums under any insurance scheme established by the Government of Canada;
- (viii) the purchase of special equipment required for educational or vocational training;
- (ix) any other purpose authorized by the Governor in Council.

If a man has elected to take educational, vocational or technical training benefits or benefits under the Veterans' Land Act, and these benefits are less than the amount of the Re-establishment Credit applicable to him, the difference may be made available for any of the purposes specified above. If, on the other hand, the Re-establishment Credit has been used wholly or in part and later an application is made for educational, vocational or technical training benefits or benefits under the Veterans' Land Act, such benefits may be granted, but a compensating adjustment must be made in respect of the credit already received.

Special
Provisions.

Both the War Service Gratuity and the Re-establishment Credit are tax free and may not be assigned or attached for debt. However overpayments of service pay and allowances may be deducted from the War Service Gratuity.

Coming
into force.

The Act came into force January 1, 1945.

22. The War Veterans' Allowance Act—Office Consolidation, 1938

P.C. 101/6395, 1943
 P.C. 2/602, 1944
 P.C. 161/7746, 1944
 P.C. 162/7746, 1944
 P.C. 164/7746, 1944
 P.C. 191/8990, 1944
 P.C. 2971, 1945

The provisions of the Act have been extended to cover veterans of the present war who have seen service outside the Western Hemisphere or who are in receipt of a pension under the Pension Act with respect to service in the present war (P.C. 162/7746). Coverage.

It provides for payments to needy veterans who

Purpose.

- (i) are over the age of sixty years, or
- (ii) are permanently unemployable, or
- (iii) having served in a theatre of actual war, are incapable of maintaining themselves due to economic handicaps combined with physical or mental disability or insufficiency. (*See p. 8, Act.*)

Provision is also made for payments to the widow or orphan child of a veteran under certain circumstances. (*See Orders in Council.*)

Maximum allowance to a bachelor or widower without children is \$30.41 per month and to a married man or to a widower with children is \$60.83 per month (*See p. 8, Act, and P.C. 2/602, 1944*), provided in each case that no deduction will be made on account of Payments.

- (i) payments under the Pension Act for
 - (a) the services of an attendant in case of helplessness, or
 - (b) extra wear on clothes due to artificial limbs, or
 - (c) dependent children (*See p. 8 of Act*); or
- (ii) casual earnings not exceeding \$125 per year (*See p. 9 of Act*); or
- (iii) payments under Section 4 of the War Service Grants Act (P.C. 161/7746, 1944); or
- (iv) provincial or municipal relief or mothers' allowances paid on account of dependent children; or
- (v) assigned pay unless dependents' allowance is also received;
- (vi) unearned income not exceeding \$25 per year (P.C. 2/602, 1944);
- (vii) pension or grant for V.C., M.C., or D.C.M.

Maximum allowance for a widow of a veteran is \$365 if without children, and \$730 if she has dependent child or children, (P.C. 101/6395, 1943, and 2/602, 1944).

Maximum allowance for an orphaned child of a veteran is \$360; for two children, \$648; and for more than two children, \$730 (P.C. 164/7746, 1944).

23. Royal Commission on Services' Trades Training

P.C. 2486, 1945

A Royal Commission was appointed to examine the problems involved in crediting discharged members of the Forces on resuming civil life, with trades, technical training or experience gained while in the Armed Forces, and report on what arrangements can best be made with the Provinces, employers and trades and labour organizations to this end.

24. Workmen's Compensation for Disabled Veterans

P.C. 102/3275, 1944

P.C. 186/1981, 1945

P.C. 307/4753, 1945

In order to offset any fear which employers might entertain regarding the possibility of an increase in the rate of industrial accidents as a result of the employment of pensioned veterans, the Department of Veterans Affairs has been authorized to reimburse Workmen's Compensation Boards and employers of certain pensioners the full cost of compensation if such pensioners meet with industrial accidents.

25. Transportation on Discharge

G.O. 63, 1944

R.O. 4306

C.N.R. 271

Financial Regulations for R.C.A.F. Sec. 7, 163.

On discharge or retirement, the veteran is entitled to a transportation warrant and travelling expenses

- (i) if he was residing in Canada immediately prior to enlistment, to that place of residence, or any other place in Canada which can be reached at no greater cost.
- (ii) if he was residing outside Canada immediately prior to enlistment, to that place of residence, or to any other place in that country or in Canada that can be reached at no greater cost.

In addition army personnel may apply for discharge at the District Depot closest to the point at which they have established a bona fide residence since entry into the Service or at which they have a bona fide intention of establishing such residence.

26. Dependents—Transportation to Canada

P.C. 6422, 1944

Transportation is provided free for the wife (or widow) and children of members of the Forces who were married while serving outside Canada.

If the member of the Forces was resident in Canada, transportation is provided to that residence; if resident beyond Canada, to that residence or to any place in Canada.

SUMMARY OF INCOME TAX LAW AND PROCEDURE

*General Provisions Applicable to all Individual Taxpayers*Persons
liable to
income tax.

The provisions of the Income War Tax Act apply to every person resident in Canada, employed in Canada or sent temporarily outside of Canada by a Canadian employer, carrying on business in Canada, deriving income for services rendered in Canada, or sojourning in Canada for more than 183 days in any year, who has an income during any calendar year in excess of \$660, if single, or in excess of \$1,200, if entitled to "married status".

For income tax purposes, "income" includes—

Taxable
income.

- (a) Salary or wages, including any bonus, gratuity, value of free board, lodging, living or subsistence allowances or other perquisites, and before deductions of any kind.
- (b) Net profit from a business or farm.
- (c) Net income from commissions or professional fees.
- (d) Income from investments, such as interest, dividends, rents, royalties and annuities.
- (e) Other income, such as income from an estate or trust, pensions (other than a war pension) and alimony.

The following income is not subject to income tax—

Non-taxable
income.

- (a) Service pay and allowances of members of the Canadian Active Service Forces—
 - (i) while overseas on the strength of an Overseas Unit outside the Western Hemisphere and for the first six months (or appropriate lesser period) of service in the Active Service Forces following return to Canada;
 - (ii) while on active service in the Western Hemisphere whose duties are of such a character as are required normally to be performed afloat or in aircraft;
 - (iii) whose income from such service pay and allowances (excluding subsistence allowances up to \$1.70 per day and marriage and dependents' allowances and supplementary grants paid by the dependents' board of trustees) is paid at a rate of less than \$1,600 per annum.
- (b) Merchant Marine war risk bonus and value of board and lodging received while performing services in respect of which war risk bonus is paid.
- (c) One-third of the remuneration paid to civilian employees of the R.A.F. Transport Command.
- (d) Assigned pay or allowances received by *dependents* of members of the Canadian Active Service Forces.
- (e) War Service Pensions.
- (f) War service gratuities, re-establishment credits and educational, vocational and technical training benefits received by discharged members of the Armed Forces or their dependents.
- (g) Compensation for sickness or accident or for personal or property damages.
- (h) Gifts, except when they come from an employer.
- (i) Capital gains, such as profits from the sale of real estate, furniture, stocks or bonds unless the taxpayer carries on a business of dealing in these things.
- (j) Dividends on, and the proceeds of, life insurance policies.

Superannuation, donations and medical payments.

Tax may not have to be paid on the total income. Allowances are made for payments to approved superannuation or pension funds; donations to charitable organizations not exceeding 10 per cent of total income; and the amount by which payments made in any twelve months' period ending in the taxation year for certain medical expenses exceeds 4 per cent of total income. Deductions are not allowed for any personal or living expenses.

Normal and graduated tax.

There are two sets of rates—(1) Normal Tax with rates of 7 per cent, 8 per cent or 9 per cent which apply to total taxable income, and (2) Graduated Tax with rates ranging from 30 per cent to 85 per cent, which apply to taxable income in excess of \$660. Persons entitled to claim married status are allowed a tax credit of \$150 from the Graduated Tax. For each full dependent, a tax credit of \$28 may be deducted from the Normal Tax and a tax credit of \$80 may be deducted from the Graduated Tax. The total tax includes a Refundable Savings Portion which was cancelled by 1944 legislation so that this portion is no longer payable by any taxpayer after 1944.

Surtax on investment income.

There is also a surtax of 4 per cent which applies on investment income in excess of \$1,500.

"Married status" may be claimed by a tax payer who during the taxation year was—

Married status defined.

1. A married man who supported his wife (other than by payment of alimony or separation allowance) if the wife was *not* in receipt of over \$660 from sources other than salary or wages and she was resident in Canada, in the British Empire or in an allied country.

2. A married woman who supported her husband (other than by payment of alimony or separation allowance) if the husband was *not* in receipt of more than \$660 from any source.

3. A widow or widower, a married woman not supported by her husband, an unmarried person, or a married man separated from his wife, who supported (other than through the payment of alimony or separation allowance) a wholly dependent son, daughter, son-in-law or daughter-in-law who was during the taxation year either—

- (a) under 18 years of age; or
- (b) under 21 years of age and attending an educational institution; or
- (c) dependent on account of mental or physical infirmity.

4. An unmarried person, widow or widower or a married person separated from his spouse, who maintained a "Self-contained Domestic Establishment" and supported therein a wholly dependent relative connected by blood relationship, marriage or adoption. ("Self-contained Domestic Establishment" means a dwelling house, apartment or other similar place of residence containing at least two bedrooms in which residence amongst other things the taxpayer as a general rule sleeps and has his meals prepared and served.)

A "dependent" must be supported by the taxpayer and not be in receipt of income in excess of \$400 during the taxation year. For the taxpayer to obtain the full tax credits, the dependent must be *wholly* dependent on the taxpayer and be—

Dependent defined.

- (a) a son, daughter, step-son, step-daughter, son-in-law, daughter-in-law, grandchild, brother, sister, brother-in-law, sister-in-law, under 18 years of age or under 21 years of age and attending an educational institution, or over 18 years of age and incapable of self-support; or
- (b) a child under 18 years of age of whom the taxpayer has in law or in fact the custody and control; or
- (c) a parent, parent-in-law, grandparent or grandparent-in-law incapable of self-support.

A tax credit may be obtained by the taxpayer proportionate to the amount actually expended in the *partial* support of a dependent described in (a) and (c) above or in the support of a daughter, sister, daughter-in-law or sister-in-law under 21 years of age who was in training as a nurse in a public or provincially licensed private hospital in Canada.

A dependent relative qualifying the taxpayer to "married status" may *not* also be used to obtain the tax credits for "dependents" unless the dependent is a child connected with the taxpayer by blood relationship, marriage or adoption and was supported in a "self-contained Domestic Establishment" in which the taxpayer also employed a full-time housekeeper or servant.

Effective July 15, 1945, employers are required to make additional tax deductions from wages in order to avoid duplication of Income Tax exemption and Family Allowance payments in respect of the same child. The sum to be so deducted equals a percentage of the total family allowance payments, the percentage varying from 10% to 100% depending on the wage-earner's taxable income.

Every individual taxpayer is required to file, with the Inspector of Income Tax for the district in which he resides, an income tax return for each calendar year on or before 30th April of the succeeding year. An individual having *not over* \$3,000 income, including *not over* \$1,500 from investments, uses form T.1 Special unless he is a proprietor or partner in a manufacturing, trading or merchandising business or is in the Armed Forces. Form T.1 General is the form to be used by all other individuals. The responsibility for procuring the necessary forms and filing returns rests upon the taxpayer and penalties are added if the returns are not filed on time. The forms are self-explanatory and may be obtained at post offices or District Income Tax offices.

Annual returns.

Form T.1 Special.

Form T.1 General.

The administration of Canadian Income Tax is in the hands of the Taxation Division of the Department of National Revenue. The Dominion of Canada is divided into nineteen districts, each of which is in charge of an Inspector who administers and collects the tax from the taxpayers residing in his district. Annual returns are received from all employers covering wage and salary payments, from corporations of their dividend payments, from life insurance companies of annuity and other annual payments, and from various other sources of bond interest, etc. This and other information enables the Department to check each individual taxpayer's return. When the necessary checking has been done a Notice of Assessment is sent to the taxpayer

Administration.

which shows the amount, if any, remaining to be paid either by reason of an error in estimating the tax or because the full amount of the estimated tax has not been paid.

Notion of
assessment.

If the income, as shown on the Notice of Assessment, is not in accordance with the return filed by the taxpayer, the reason for the change may be obtained from the District Inspector of Income Tax. If the taxpayer intends to protest an assessment by appealing to the Minister, he or his solicitor must file a Notice of Appeal, in the form prescribed, by registered post within one month after the date on which the Notice of Assessment was mailed. For a member of the Canadian Active Service Forces overseas on the strength of an overseas unit the time for appeal, in respect of assessments for 1939 and subsequent years, has been extended. In such a case, an appeal against a Notice of Assessment mailed while he was overseas, or within three months of the day he went overseas, will be accepted if filed within one year after the day when he ceased to be on the strength of an overseas unit.

Appeals.

Interest.

If income tax payments are not made as they fall due, interest is charged on any deficiency. If any balance due after assessment is not paid within one month from the date of the mailing of the Notice of Assessment, additional interest is charged. Members of the Canadian Active Service Forces, or the Auxiliary Forces, who have served overseas on the strength of, or attached to, or working with, an overseas unit, have been granted some relief from interest. If they pay any income tax liability, which was payable while they were overseas, within one year from the date of their return to Canada, no interest will be charged from the period they were serving outside the Western Hemisphere.

The foregoing is a summary of the main provisions of the Income Tax law that apply to all classes of taxpayers. There are set out below provisions that concern certain classes only. Further information may be obtained from the office of any District Inspector of Income Tax.

Additional Information for Employees

Tax
deductions.

Most of the income tax payable by employees is collected under the pay-as-you-earn plan by deductions from salaries and wages.

Form
T.D.1.

Unless the employee files form T.D.1 with his employer, the employer must deduct the amounts provided in the Table of Tax Deductions for a single person with no dependents. Therefore, to avoid excessive deductions, every single employee with dependents and every married employee, with or without dependents, should complete and file form T.D.1 with his employer. The employee must file a new form T.D.1 with each new employer, each time there is a change in marital status or each time there is a change in the number of his dependents.

Form
T.D.1A.

Many employees, whose rates of pay are such that the Table of Tax Deductions applies but whose total income for the calendar year will not be sufficient to render them liable to income tax, may claim relief from tax deductions by filing form T.D.1A with their employer. For example, by filing this form a discharged member of the Armed Forces, whose service pay and allowances were not taxable, may upon taking civilian employment obtain exemption from tax deductions for the balance of the calendar year if it is evident that his civilian pay for the year is not going to be sufficient to give him a taxable income.

On or before the last day of February in each year, every employer must prepare a wage or salary "T.4" slip in respect to each employee who, during the preceding calendar year, received more than \$660 or had any tax deducted from his pay. A copy of this slip must be given to the employee to assist him in completing his annual return and as a receipt for the tax deductions made by his employer during the year. Form T.4 slip.

Any balance of tax not deducted at the source is payable with the annual return on form T.1 Special or T.1 General. If too much has been deducted, the excess will be refunded when the return has been checked by the Income Tax Division. Payment of balances.
Refunds.

Additional Information for Employers

If an employer pays any salary or wages in excess of \$2.14 daily, \$12.99 weekly, \$25.99 bi-weekly, \$27.99 semi-monthly or \$55.99 monthly, he may be required to make tax deductions at the source. For this purpose he should obtain copies of the following forms from the office of the District Inspector of Income Tax:— Tax deductions.

- (1) Form T.D.1—One copy for each employee who receives a taxable rate of pay and who is married, with or without dependents, or who is single with dependents. Form T.D.1.
- (2) Form T.D.1A—One copy for each employee who receives a taxable rate of pay but who may claim relief from tax deductions because his total income for the calendar year will not be sufficient to render him liable to income tax. Form T.D.1A.
- (3) Revised Table of Tax Deductions—One copy to determine the amount to deduct from each pay. Table of tax deductions.
- (4) Form T.D.2, which is the form to accompany each remittance of the amounts deducted which must be sent in within one week of each pay day. The employer will require initially only a sufficient supply to use with the first few remittances as the District Inspector will send further copies with each receipt. Remittance form T.D.2.

On or before the last day of February in each year, every employer must also prepare a statement on forms T.4 showing, in respect to the previous calendar year, the particulars of salaries and wages paid and all tax deductions. If an employer ceases a business or activity, forms T.4 must be filed within one week from the day the business was discontinued. Annual return on forms T.4.

Each form is self-explanatory but any additional information required may be obtained from the District Inspector of Income Tax.

The law provides fines and penalties for failure to make the deductions required and for failure to remit any amounts deducted within the time provided. Penalties.

Additional Information for Individuals in Business

Individuals, whose income—(a) is derived from carrying on a business or profession (other than farming), (b) is derived from investments, or (c) is more than 25 per cent derived from sources other than salary or wages, are required to pay their estimated tax for the current year by quarterly instalments during such year. Each payment must be sent in with Instalment Remittance Form T.7-B. Individuals obtainable from the office of the District Inspector of Income Tax. Any balance of tax is payable with interest with the T.1 General return which is due to be filed on or before 30th April of the succeeding year. Quarterly instalment payments.

Excess
profits tax.

Individuals carrying on business may be required to pay Excess Profits Tax if the annual net profit from the business, or from a combination of several businesses, is in excess of \$5,000. Information regarding this tax, and the necessary forms and instructions, may be obtained from the District Inspector of Income Tax.

Keeping of
books and
accounts.

The law provides penalties if any person carrying on business, who is liable to pay income tax or to make tax deductions at the source, fails to keep adequate books or accounts available for inspection by officers of the Income Tax Division.

Additional Information for Farmers

Instalment
payments.

Farmers are required to pay two-thirds of their income tax for each calendar year on or before 31st December of that year. The balance of the tax is payable with their income tax returns on form T.1 Special or T.1 General on or before 30th April of the succeeding year.

Farmers T.1
supplemental.

The farmers T.1 Supplemental (which has been designed to help the farmer determine his net income) or a statement showing gross income and expenses, must be filed with the T.1 return.

Excess
profits tax.

A farmer who has an annual net income from farming, or from a combination of farming and any other business, in excess of \$5,000 or who is a partner in a partnership which has total annual profits in excess of \$5,000, may be required to pay Excess Profits Tax and should obtain the necessary forms and information from the District Inspector of Income Tax.

11th January, 1945.

VII The Permanent Force (Naval, Military or Air)

Most of the provisions of the rehabilitation program apply just as much to those who remain in or join the Permanent Forces of Canada at the end of the present war, as to other members of the Forces. There are, of course, certain parts of the program which will not be applicable to those who remain in the Permanent Force. For example, they will neither require nor be eligible for vocational or educational training or out-of-work or temporary incapacity or awaiting returns benefits. In the case of certain other of the rehabilitation measures, special provisions is made for those remaining in the Permanent Force.

Post-Discharge Re-establishment Order

A. Unemployment Insurance Provisions

After discharge and on completion of fifteen weeks in insurable employment within any one year, an ex-member of the Permanent Force will be considered as having been in insurable employment for his period of service, after June 30, 1941, up to the end of the present war for purposes of the Act, and all contributions while in the service will be deemed to have been paid.

B. Other Provisions

Other provisions of the Re-establishment Order will not usually be applicable for those remaining in the force for a considerable period after the cessation of hostilities since there are definite time limits involved.

Rehabilitation Grant

It will be received on ceasing to serve on active service, that is, when the Permanent Force returns to its peacetime status.

Medical Treatment

For pensionable disabilities, members of the Permanent Force receive medical treatment and a Hospital Allowance equal to pension payable when treatment commenced. Former members of the Permanent Force receive treatment and *full* Hospital Allowance for pensionable disabilities. Non-pensionable disabilities will be treated only at the expense and request of the Department of National Defence.

Veterans' Land Act

Members of the Permanent Force become eligible for the benefits of the Act only when they are honourably discharged from the Permanent Force (or can show that they will be permanently stationed in one locality) and meet the other requirements of the Act.

Veterans' Insurance Act

Permanent Force men are eligible to contract insurance under the Act upon the termination of hostilities in the present war.

War Service Grants Act

A. War Service Gratuity

Members of the Permanent Force are eligible when they cease to serve on active service.

B. Re-establishment Credit

Members of the Permanent Force are eligible as soon as they receive the first payment of their gratuity.

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